

EXHIBIT 41



LIMITED LIABILITY COMPANY BANKING RESOLUTION (For Deposit Accounts)

Account Holder: PHOENIX CAPITAL MANAGEMENT LLC 100 GRIST MILL ROAD SIMSBURY, CT 06070 Account No. 4242774671	Financial Institution: TD Bank, N.A. Drake Mill Mall, 714 Hopmeadow St Simsbury, CT 06070 State / Commonwealth: CT
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In consideration of the existing or proposed banking relationship between PHOENIX CAPITAL MANAGEMENT LLC a Limited Liability Company (the "Company") and TD Bank, N.A., the persons signing below jointly and severally and on behalf of the Company do hereby certify that and agree as follows:

PHOENIX CAPITAL MANAGEMENT LLC is the complete and correct name of the Account Holder.

Managers, Members and Authorized Signers: We further certify that the following is a complete list of the names of all managers, members and authorized signers of the Company. We agree to notify the Financial Institution of any change in the Company, including the adding of new members and leaving of current members from the Company, before the change takes effect.

Title	Name	Signature
<i>Chairman Managing Member</i>	DANIEL E CARPENTER	<i>Daniel E Carpenter</i>
<i>Secretary</i>	AMANDA ROSSI	<i>Amanda Rossi</i>

Assumed Business Names: Excluding the name of the Company, the following is a complete list of all assumed business names under which the Company does business:

Assumed Business Name #1: _____

Assumed Business Name #2: _____

We further certify that at a meeting of the members of the Company (or by other duly authorized Company action in lieu of a meeting, duly called and held on 5/21/09, at which a quorum was present and voting, the following resolutions were adopted:

Be It Resolved, that TD Bank, N.A., at any one or more of its branches, be and it hereby is designated as the Financial Institution of and depository for the funds of this Company, which may be withdrawn on checks, drafts, advices of debit, notes or other orders for the payment of money;

Be It Further Resolved, that any one (1) of the Authorized signers ("Agents") listed above may enter into any such agreements and perform such other acts as they deem reasonably necessary in furtherance of the Company's Banking Relationship with the Financial Institution, and those agreements will bind the Company, and acting for and on behalf of the Company and as its act and deed be, and they hereby are, authorized and empowered;

Execute Documents: To execute and deliver to Financial Institution the form of Limited Liability Company Banking Resolution and other account opening documents submitted by Financial Institution, confirming the nature and existence of Account Holder and evidencing the terms of the agreement between Financial Institution and Account Holder.

Agent's Authority: Any one of such Agents is authorized to endorse all checks, drafts, notes and other items payable to or owned by this Company for deposit with the Financial Institution, or for collection or discount by the Financial Institution; and to accept draft and other items payable at the Financial Institution. The Financial Institution is hereby directed to accept and pay without further inquiry any item drawn against any of the Company's accounts with the Financial Institution bearing the signature of any one of the Agents, as authorized above or otherwise, even though drawn or endorsed to the order of Any Agent signing or tendered by such Agent for cashing or in payment of the individual obligation of such Agent or for deposit to the Agent's personal account, and the Financial Institution shall not be required or be under any obligation to inquire as to the circumstances of the issue or use of any item signed in accordance with the resolutions contained herein, or the application or disposition of such item or the proceeds of the item.

Further Acts: The above-named Agents are authorized and empowered to execute such other agreements, including, but not limited to, special depository agreements and arrangements regarding the manner, conditions or purposes for which funds, checks or items of Account Holder may be deposited, collected or withdrawn and to perform such other acts as they deem reasonably necessary to carry out the provisions of this resolutions.

Be It Further Resolved, that the authority hereby conferred upon the above-named Agents shall be and remain in full force and effect until written notice of any amendment or revocation thereof shall have been delivered and received by the Financial Institution at each location where an account is maintained. Financial Institution shall be indemnified and held harmless by the Company from any loss suffered or any liability incurred by it in continuing to act in accordance with this resolution. Any such notice shall not affect any items in process at the time notice given.

We Further Certify that the authorized signers name above are duly elected, appointed or employed by or for the Company, as the case may be, and occupy the positions set opposite their respective names; that the foregoing resolutions now stand of record on the books of the Company; and that the resolutions are in full force and effect and have not been modified or revoked in any manner whatsoever.

We have each read all of the provisions of this Limited Liability Company Resolution, and we each jointly and severally and on behalf of the Company certify and agree to its terms.

This Agreement is dated: 05/20/2009

Account Holder: PHOENIX CAPITAL MANAGEMENT LLC

By: _____

By: 

By: _____

By: 

Delaware

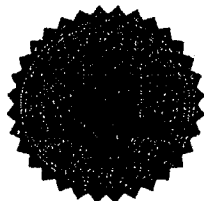
PAGE 1

The First State

I, HARRIET SMITH WINDSOR, SECRETARY OF STATE OF THE STATE OF DELAWARE, DO HEREBY CERTIFY THE ATTACHED IS A TRUE AND CORRECT COPY OF THE CERTIFICATE OF FORMATION OF "PHOENIX CAPITAL MANAGEMENT GROUP, LLC", FILED IN THIS OFFICE ON THE THIRTIETH DAY OF DECEMBER, A.D. 2005, AT 1 O'CLOCK P.M.

4086984 8100

051076651



Harriet Smith Windsor

Harriet Smith Windsor, Secretary of State

AUTHENTICATION: 4417328

DATE: 01-03-06

State of Delaware
Secretary of State
Division of Corporations
Delivered 02:01 PM 12/30/2005
FILED 01:00 PM 12/30/2005
SRV 051076651 - 4086984 FILE

CERTIFICATE OF FORMATION
OF
LIMITED LIABILITY COMPANY

FIRST. The name of the limited liability company is PHOENIX CAPITAL MANAGEMENT GROUP, LLC.

SECOND. The address of its registered office in the State of Delaware is 2711 Centerville Road, Suite 400, Wilmington, Delaware, 19808. The name of its registered agent at such address is The Company Corporation.

IN WITNESS WHEREOF, the undersigned have executed this Certificate of Formation of PHOENIX CAPITAL MANAGEMENT GROUP, LLC this 30th day of December, 2005.

NAME: 

Keith R. Jones
Authorized Person

EXHIBIT 42

Direction I
FAX
Fee 10.00
Intermd Bank
IMAD 20090917B1QGC04C005135
MID 090917143301F200
Paymt Method FED
Msg Status COMPLETE
Msg Type 10
Msg Subtype 00
OBI PAYMENT FROM TRANEN CAPITAL ALT.INVESTMENT FUND RE - ALLEN TUCKERPOLICY
NUMBER 157 200 848
Office 004
OMAD 20090917A1B7001S00090809171433FT01
Originator CALEDON TRUST COMPANY
ORG ADDR1 SUITE 3402
ORG ADDR2 130 ADELAIDE ST W
ORG ADDR3 TORONTO ONM5H3P5
ORG ID 000024082640
ORG ID Code AC
Recv ABA 011103093
Recv Name TD BANKNORTH CT
REF IMAD
Reference 7095600260JS
Sender ABA 021000021
Sender Name JPMORGAN CHASE
Paymt Source FLS
Time 14:33:01
UserID
Value Date 9/17/2009 12:00:00AM

MIF_AMOUNT 510,000.00
Account No 4242774712
Amount 510,000.00
BBI
Bene Bank
Beneficiary Grist Mill Trust
BNF ADDR1 100 Grist Mill Road
BNF ADDR2
BNF ADDR3 SimsburyCT
BNF ID 904028488
Branch ID 004BR001
Country Code US
Currency USD
Wire Date 12/3/2009 12:00:00AM
Direction O
FAX
Fee 15.00
Intermd Bank
IMAD 20091203C1B76E1C002387
MID 091203142312XI03
Paymt Method FED
Msg Status COMPLETE
Msg Type 10
Msg Subtype 00
OBI
Office 004
OMAD 20091203B1QGC01R04116812031442FT01
Originator GRIST MILL CAPITAL LLC

ORG ADDR1 100 GRIST MILL ROAD
ORG ADDR2 SIMSBURY, CT 06070-
ORG ADDR3
ORG ID 4242774712
ORG ID Code AC
Recv ABA 021000021
Recv Name JPMORGAN CHASE BAN
REF IMAD
Reference 091203142312XI03
Sender ABA 011103093
Sender Name TD BANK
Paymt Source MAX
Time 14:40:06
UserID MARKM
Value Date 12/3/2009 12:00:00AM

MIF_AMOUNT 29,359.90
Account No 4242774712
Amount 29,359.90
BBI
Bene Bank
Beneficiary Abbott And Abbott Atty Trust Acct
BNF ADDR1 1905 Diamond ST. Ste B
BNF ADDR2
BNF ADDR3 San MarcusCA
BNF ID 687052712
Branch ID 001
Country Code US
Currency USD
Wire Date 2/10/2010 12:00:00AM
Direction O
FAX
Fee 15.00
Intermd Bank
IMAD 20100210C1B76E1C001790
MID 100210135639XI02
Paymt Method FED
Msg Status COMPLETE
Msg Type 10
Msg Subtype 00
OBI Anico Policy U0581409
Office 004
OMAD 20100210L2B7721C00122202101402FT01
Originator GRIST MILL CAPITAL LLC
ORG ADDR1 100 GRIST MILL ROAD
ORG ADDR2 SIMSBURY, CT 06070-
ORG ADDR3
ORG ID 4242774712
ORG ID Code AC
Recv ABA 121100782
Recv Name BANK OF THE WEST
REF IMAD
Reference 100210135639XI02
Sender ABA
Sender Name TD BANK
Paymt Source MAX
Time 14:02:35
UserID RUTH
Value Date 2/10/2010 12:00:00AM

EXHIBIT 43

MIF_AMOUNT 42,373.30
Account No 4242774712
Amount 42,373.30
BBI
Bene Bank
Beneficiary North American Life And Health
BNF ADDR1 420 Montgomery Street
BNF ADDR2
BNF ADDR3 San FranciscoCA
BNF ID 0194944013
Branch ID 004BR001
Country Code US
Currency USD
Wire Date 12/16/2009 12:00:00AM
Direction O
FAX
Fee 15.00
Intermd Bank
IMAD 20091216C1B76E1C003381
MID 091216162642XI06
Paymt Method FED
Msg Status COMPLETE
Msg Type 10
Msg Subtype 00
OBI Paul D. Carter Policy #LB00969380 SS# 250-26-4144
Office 004
OMAD 20091216I1B7031R02753412161634FT01
Originator GRIST MILL CAPITAL LLC
ORG ADDR1 100 GRIST MILL ROAD
ORG ADDR2 SIMSBURY, CT 06070-
ORG ADDR3
ORG ID 4242774712
ORG ID Code AC
Recv ABA 121000248
Recv Name WELLS FARGO NA
REF IMAD
Reference 091216162642XI06
Sender ABA
Sender Name TD BANK
Paymt Source MAX
Time 16:34:12
UserID LAURAYIP
12/16/2009 12:00:00AM

MIF_AMOUNT 178,125.00
Account No 4242774712
Amount 178,125.00
BBI
Bene Bank
Beneficiary Grist Mill Trust
BNF ADDR1 100 Grist Mill Road
BNF ADDR2
BNF ADDR3 SimsburyCT
BNF ID 904952088
Branch ID 004BR001
Country Code US
Currency USD
Wire Date 12/3/2009 12:00:00AM

Direction O
 FAX
 Fee 15.00
 Intermd Bank
 IMAD 20091203C1B76E1C001531
 MID 091203122908XI01
 Paymt Method FED
 Msg Status COMPLETE
 Msg Type 10
 Msg Subtype 00
 OBI
 Office 004
 OMAD 20091203B1QGC01R02819612031229FT01
 Originator GRIST MILL CAPITAL LLC
 ORG ADDR1 100 GRIST MILL ROAD
 ORG ADDR2 SIMSBURY, CT 06070-
 ORG ADDR3
 ORG ID 4242774712
 ORG ID Code AC
 Recv ABA 021000021
 Recv Name JPMORGAN CHASE BAN
 REF IMAD
 Reference 091203122908XI01
 Sender ABA 011103093
 Sender Name TD BANK
 Paymt Source MAX
 Time 12:29:08
 UserID
 Value Date 12/3/2009 12:00:00AM

MIF_AMOUNT 44,150.00
 Account No 4242774712
 Amount 44,150.00
 BBI
 Bene Bank
 Beneficiary Financial Processing Unit
 BNF ADDR1 620 Liberty Avenue
 BNF ADDR2
 BNF ADDR3 PittsburghPA
 BNF ID 1005255672
 Branch ID 001
 Country Code US
 Currency USD
 Wire Date 1/6/2010 12:00:00AM
 Direction O
 FAX
 Fee 15.00
 Intermd Bank
 IMAD 20100106C1B76E1C000841
 MID 100106113006XI02
 Paymt Method FED
 Msg Status COMPLETE
 Msg Type 10
 Msg Subtype 00
 OBI Avon Ins Trust Acct. 20420023416042Rella Waldman Anico Policy #U0583990
 Office 004
 OMAD 20100106D3B74V9C00206201061130FT01
 Originator GRIST MILL CAPITAL LLC
 ORG ADDR1 100 GRIST MILL ROAD

EXHIBIT 44

Suite 1900
250 Park Avenue
New York, New York 10177
Main: 212 907-9700
Fax: 212 907-9800
www.sgrlaw.com

SMITH, GAMBRELL & RUSSELL, LLP
Attorneys at Law

Joseph M. Pastore III
Direct Tel: 212-907-9730
Direct Fax: 212-907-9830
CT Tel: 203-564-1485
CT Fax: 203-564-1402
jpastore@sgrlaw.com

September 21, 2012

VIA EMAIL, FAX & FEDERAL EXPRESS

bmorgan@yesbank.com
Fax: (856) 489-7016

Barbara J. Morgan
Custodian of Records
Legal Department
TD Bank, N.A.
1701 Route 70 East
Cherry Hill, NJ 08034

**Re: Universitas Education, LLC v. Nova Group, Inc., as Sponsor and Named Fiduciary
of the Charter Oak Trust Welfare Benefit Plan
Case No.: 12-mc-00102-AWT**

Dear Ms. Morgan:

We represent Nova Group, Inc. and The Charter Oak Trust Welfare Benefit Plan, (collectively, the "Customer") in the above-entitled Connecticut Action. We write to you to articulate the Customer's position on Connecticut Law. We understand that a subpoena was served upon TD Bank, N.A. ("TD Bank") by Bryan Reyhani, Esq. of the law firm of Reyhani Nemirovsky LLP on behalf of Universitas Education, LLC ("Universitas") in a related New York Action. We understand that the subpoena seeks various Customer's "financial records" (as that term is defined in Conn. Gen. Stat. § 36a-41(2)), many of whom are not involved in this case.

Please be advised that because the Customer is located in Connecticut and TD Bank has numerous Bank branches in Connecticut, TD Bank is required to comply with Connecticut law regarding the disclosure of the Customer's financial records. Thus, we write to tell you that under Connecticut Law, **the Customer objects to TD Bank's further compliance with the subpoena or the disclosure of any of its financial records to Mr. Reyhani, his law firm, or**



Barbara J. Morgan
September 21, 2012
Page 2

any other person or entity.

Disclosure of the Customer's financial records to anyone other than the Customer or the Customer's duly authorized agent is strictly prohibited by Conn. Gen. Stat. § 36a-42 because the subpoena is not a "lawful subpoena" as required by the statute. Mr. Reyhani failed to serve a certified copy of the subpoena on the Customer at least ten (10) days prior to the date on which the records are to be disclosed. See Conn. Gen. Stat. § 36a-43(a). Thus, it is not lawful under Connecticut Law.

You would also be well advised to take notice of Conn. Gen. Stat. § 36a-45(a), which provides that: "**Any officer or employee** of a financial institution who knowingly and willfully furnishes financial records in violation of sections 36a-41 to 36a-44, inclusive, **shall be guilty of a class C misdemeanor.**" *Id.* (emphasis added). For your information, a class C misdemeanor in Connecticut carries with it a fine of up to \$500 and imprisonment of up to three months. Furthermore, because Mr. Reyhani knowingly and willfully induced or attempted to induce TD Bank to disclose the Customer's financial records in violation of Connecticut law, he also faces potential criminal liability under Conn. Gen. Stat. § 36a-45(b).

Aside from potential criminal penalties, TD Bank faces substantial civil liability if it discloses the Customer's financial records in violation of Connecticut law. This letter shall serve notice that, absent a final order by a Connecticut court authorizing disclosure, if TD Bank discloses the Customer's financial records to anyone other than the Customer, the customer will seek to hold TD Bank legally responsible. Because the subpoena is facially invalid, TD Bank cannot rely on the "safe harbor" provided by Conn. Gen. Stat. § 36a-43(d).

In light of the foregoing, you and TD Bank would be well advised to govern yourselves accordingly. If you have any questions about this matter, please do not hesitate to contact me

Very truly yours,

Joseph M. Pastore III

JMP/kj

cc: Bryan Reyhani, Esq. (via email only)
Jack E. Robinson, Esq. (via email only)



GRIST MILL CAPITAL LLC

VIA FAX

Fax (856) 489-7016

Barbara J Morgan
Custodian of Records
Legal Department
TD Bank, N.A.
1701 Route 70 East
Cherry Hill, NJ 08034

Re: Subpoena for Customer Records in re Universitas, LLC v. Nova Group, Inc.

Dear Ms. Morgan

This letter is to inform you that you are not to release any of my personal information, or that of Grist Mill Capital, LLC ("GMT"). Neither I nor GMC are parties to this litigation and it is outrageous that Universitas is asking for personal information for bank accounts not dealing with the Charter Oak Trust or Nova Group, Inc. in the supplemental subpoena served upon TD Bank, N.A. GMC and I object to TD Bank's further compliance with the subpoena or the disclosure of any of our bank records to any other person or entity.

You would be well advised to take notice of Conn. Gen. Stat. § 36a-45(a), which provides that: "Any officer or employee of a financial institution who knowingly and willfully furnishes financial records in violation of sections 36a-41 to 36a-44, inclusive, shall be guilty of a class C misdemeanor." *Id.* (emphasis added). For your information, a class C misdemeanor in Connecticut carries with it fines and imprisonment of up to three months. Aside from potential criminal penalties, TD Bank faces substantial civil liability if it discloses our financial records in violation of Connecticut law. This letter shall serve notice that, absent a final order by a Connecticut court authorizing disclosure, if TD bank discloses our financial records to anyone other than us, TD Bank shall be held legally responsible under applicable federal and state law and we will sue TD Bank for upwards of \$50 million in actual damages plus treble punitive damages. Because the subpoena is facially invalid, TD Bank cannot rely on the "safe harbor" provided by Conn. Gen. Stat. § 36a-43(d).

In light of the forgoing, you and TD Bank would be well advised to govern yourselves accordingly.

With best regards,


Daniel E. Carpenter

EXHIBIT 45

LOAN AGREEMENT AND PROMISSORY NOTE

THIS LOAN AGREEMENT AND PROMISSORY NOTE, is made this 11th day of August, 2006, by and among Grist Mill Capital, LLC of 100 Grist Mill Road (hereinafter, known as "BORROWER") and The Grist Mill Trust, a Trust organized under the laws of the State of Connecticut (hereinafter known as "LENDER"). BORROWER and LENDER shall collectively be known herein as "the Parties". In determining the rights and duties of the Parties under this Loan Agreement, the entire document must be read as a whole.

PROMISSORY NOTE

FOR A LOAN OF PREMIUMS RECEIVED, for the policy on the life of **REDACTED** (Phoenix Policy # **REDA**) BORROWER promises to pay to the order of LENDER, the sum of the total dollars borrowed to pay premiums on the policy as listed in Schedule "A" on demand, but no later than August 14, 2009 (hereinafter known as "LOAN"). Any amounts unpaid shall accrue at 1% interest per month or 12% per annum.

ADDITIONAL LOAN TERMS

The BORROWER and LENDER, hereby further set forth their rights and obligations to one another under this Loan Agreement and Promissory Note and agree to be legally bound as follows:

- A. **LOAN REPAYMENT TERMS.** BORROWER shall pay back the entire amount of the LOAN to LENDER no later than August 14, 2009 with interest computed at 1% per month or 12% per annum.
- B. **DEMAND BY LENDER.** This is a total premium dollars invested on "demand" Loan Agreement and Promissory Note under which BORROWER in the event of default is required to repay in full the entire outstanding Loan Amount within 15 days of receiving a written demand from LENDER for full repayment of the Loan Amount. Delivery of written notice by LENDER to BORROWER via U.S. Postal Service Certified Mail shall constitute prima facie evidence of delivery. For mailing of said notice, LENDER shall use BORROWER'S address as stated below.
- C. **METHOD OF LOAN PAYMENT.** The BORROWER shall make all payments called for under this Loan Agreement by hand delivery or by sending a check, wire, or other negotiable instrument made payable to LENDER at the following address:

Grist Mill Trust
C/O Benefit Plan Advisors, LLC
Grist Mill Plaza
100 Grist Mill Road
Simsbury, CT 06070
860-408-7000

If LENDER gives written notice to BORROWER that a different address shall be used for making payments under this Loan Agreement, BORROWER shall use the new address so given by LENDER.

D. **DEFAULT.** The occurrence of any of the following events shall constitute a Default by the BORROWER of the terms of this Loan Agreement and Promissory Note:

1. BORROWER's failure to pay any amount due as principal or interest on the date required under this Loan Agreement.
2. BORROWER seeks an order of relief under the Federal Bankruptcy laws.
3. A federal or state tax lien is filed against the assets of BORROWER.
4. A money judgment is entered by any court against BORROWER.

E. **ADDITIONAL PROVISIONS REGARDING DEFAULT:**

1. **Commercial Loan.** BORROWER fully recognizes that this is a Commercial Loan given in the course of a business venture and therefore BORROWER waives any and all rights to demand, presentment for payment, notice of non-payment, notice of dishonor, protest, and notice of non-payment of this Promissory Note.
2. **Acceleration.** If the BORROWER fails to cure any default on or before the expiration of the fifteen (15) day cure period that starts on the date BORROWER receives written notice from LENDER that an event of default has occurred under this Loan Agreement, the entire unpaid principal, accrued interest, and penalties under this Loan Agreement shall accelerate and become due and payable immediately.
3. **Indemnification of Attorneys Fees and out-of-pocket costs.** A default by BORROWER which is not cured within 15 days after receiving a written notice of default from LENDER constitutes a material breach of this Agreement by BORROWER, and will entitle the Lender to be indemnified by the BORROWER for any Attorneys' Fees, court costs, and out-of-pocket costs in the collection of the debt owed to the LENDER.

F. **PLEDGE AND COLLATERAL.** As security for the repayment in full of this loan, and in addition to any and all other rights and remedies under the law, BORROWER pledges to LENDER all shares of any business interest owned by the BORROWER as well as the assets of any real estate owned by BORROWER. BORROWER further agrees to protect such assets as collateral and help LENDER collect on those assets and shares in the event of BORROWER's default as listed above.

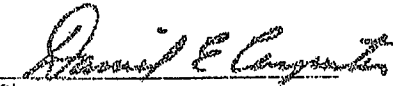
G. **INTEGRATION.** This Agreement, including any attachments mentioned in the body as incorporated by reference, sets forth the entire agreement between the Parties with regard to the subject matter hereof. All prior agreements, representations and warranties, express or implied, oral or written, with respect to the subject matter hereof, are hereby superseded by this agreement. This is an integrated Agreement.

- H. **SEVERABILITY.** In the event any provision of this Agreement is deemed to be void, invalid, or unenforceable, that provision shall be severed from the remainder of this Agreement so as not to cause the invalidity or unenforceability of the remainder of this Agreement. All remaining provisions of this Agreement shall then continue in full force and effect. If any provision shall be deemed invalid due to its scope or breadth, such provision shall be deemed valid to the extent of the scope and breadth permitted by law.
- I. **MODIFICATION.** Except as otherwise provided in this document, this Agreement may be modified, superseded, or voided only upon the written and signed agreement of the Parties. Further, the physical destruction or loss of this document shall not be construed as a modification or termination of the Agreement contained herein.
- J. **EXCLUSIVE JURISDICTION FOR SUIT IN CASE OF BREACH.** The Parties, by entering into this Agreement, submit to jurisdiction in Hartford, Connecticut for adjudication of any disputes and/or claims between the parties under this Agreement. Furthermore, the parties hereby agree that the courts of Hartford, Connecticut shall have exclusive jurisdiction over any disputes between the parties relative to this Agreement, whether said disputes sound in contract, tort, or other areas of the law.
- K. **STATE LAW.** This Agreement shall be interpreted under, and governed by, the laws of the State of Connecticut.

IN WITNESS WHEREOF and acknowledging acceptance and agreement of the foregoing, BORROWER and LENDER affix their signatures hereto.

BORROWER:

Grist Mill Capital, LLC


Signature

By: Daniel E. Carpenter

Title: Chairman of the Managing Member

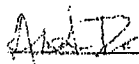
Dated: August 11, 2006

ADDRESS:

100 Grist Mill Road

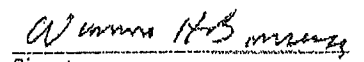
Simsbury, CT 06070

WITNESS:


Amanda Rossi
Name

LENDER:

Grist Mill Trust


Signature

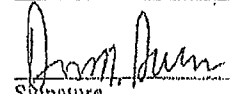
By: Wayne H. Bursey

Title: Trustee

Dated: 8-11, 2006

**ACKNOWLEDGMENT OF
PAYMENT IN FULL AND RECEIPT**

Grist Mill Trust


Signature

Donna Dawson

5/12/09
Date

LOAN AGREEMENT AND PROMISSORY NOTE

THIS LOAN AGREEMENT AND PROMISSORY NOTE, is made this 1st day of October, 2007, by and among Grist Mill Capital, LLC of 100 Grist Mill Road (hereinafter, known as "BORROWER") and The Grist Mill Trust, a Trust organized under the laws of the State of Connecticut (hereinafter known as "LENDER"). BORROWER and LENDER shall collectively be known herein as "the Parties". In determining the rights and duties of the Parties under this Loan Agreement, the entire document must be read as a whole.

PROMISSORY NOTE

FOR A LOAN OF \$2,500,000 RECEIVED, BORROWER promises to pay to the order of LENDER, the sum of \$2,500,000 dollars on demand, but no later than October 4, 2010 (hereinafter known as "LOAN"). Any amounts unpaid shall accrue at 1% interest per month or 8% per annum.

ADDITIONAL LOAN TERMS

The BORROWER and LENDER, hereby further set forth their rights and obligations to one another under this Loan Agreement and Promissory Note and agree to be legally bound as follows:

- A. **LOAN REPAYMENT TERMS.** BORROWER shall pay back the entire amount of the LOAN to LENDER no later than October 4, 2010 with interest computed at 1% per month or 8% per annum.
- B. **DEMAND BY LENDER.** This is a "demand" Loan Agreement and Promissory Note under which BORROWER in the event of default is required to repay in full the entire outstanding Loan Amount within 15 days of receiving a written demand from LENDER for full repayment of the Loan Amount. Delivery of written notice by LENDER to BORROWER via U.S. Postal Service Certified Mail shall constitute prima facie evidence of delivery. For mailing of said notice, LENDER shall use BORROWER'S address as stated below.
- C. **METHOD OF LOAN PAYMENT.** The BORROWER shall make all payments called for under this Loan Agreement by hand delivery or by sending a check, wire, or other negotiable instrument made payable to LENDER at the following address:

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C/O Benefit Plan Advisors, LLC
Grist Mill Plaza
100 Grist Mill Road
Simsbury, CT 06070
860-408-7000

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D. **DEFAULT.** The occurrence of any of the following events shall constitute a Default by the BORROWER of the terms of this Loan Agreement and Promissory Note:

1. BORROWER's failure to pay any amount due as principal or interest on the date required under this Loan Agreement.
2. BORROWER seeks an order of relief under the Federal Bankruptcy laws.
3. A federal or state tax lien is filed against the assets of BORROWER.
4. A money judgment is entered by any court against BORROWER.

E. **ADDITIONAL PROVISIONS REGARDING DEFAULT:**

1. **Commercial Loan.** BORROWER fully recognizes that this is a Commercial Loan given in the course of a business venture and therefore BORROWER waives any and all rights to demand, presentment for payment, notice of non-payment, notice of dishonor, protest, and notice of non-payment of this Promissory Note.
2. **Acceleration.** If the BORROWER fails to cure any default on or before the expiration of the fifteen (15) day cure period that starts on the date BORROWER receives written notice from LENDER that an event of default has occurred under this Loan Agreement, the entire unpaid principal, accrued interest, and penalties under this Loan Agreement shall accelerate and become due and payable immediately.
3. **Indemnification of Attorneys Fees and out-of-pocket costs.** A default by BORROWER which is not cured within 15 days after receiving a written notice of default from LENDER constitutes a material breach of this Agreement by BORROWER, and will entitle the Lender to be indemnified by the BORROWER for any Attorneys' Fees, court costs, and out-of-pocket costs in the collection of the debt owed to the LENDER.

F. **PLEDGE AND COLLATERAL.** As security for the repayment in full of this loan, and in addition to any and all other rights and remedies under the law, BORROWER pledges to LENDER all shares of any business interest owned by the BORROWER as well as the assets of any real estate owned by BORROWER. BORROWER further agrees to protect such assets as collateral and help LENDER collect on those assets and shares in the event of BORROWER's default as listed above.

G. **INTEGRATION.** This Agreement, including any attachments mentioned in the body as incorporated by reference, sets forth the entire agreement between the Parties with regard to the subject matter hereof. All prior agreements, representations and warranties, express or implied, oral or written, with respect to the subject matter hereof, are hereby superseded by this agreement. This is an integrated Agreement.

- H. **SEVERABILITY.** In the event any provision of this Agreement is deemed to be void, invalid, or unenforceable, that provision shall be severed from the remainder of this Agreement so as not to cause the invalidity or unenforceability of the remainder of this Agreement. All remaining provisions of this Agreement shall then continue in full force and effect. If any provision shall be deemed invalid due to its scope or breadth, such provision shall be deemed valid to the extent of the scope and breadth permitted by law.
- I. **MODIFICATION.** Except as otherwise provided in this document, this Agreement may be modified, superseded, or voided only upon the written and signed agreement of the Parties. Further, the physical destruction or loss of this document shall not be construed as a modification or termination of the Agreement contained herein.
- J. **EXCLUSIVE JURISDICTION FOR SUIT IN CASE OF BREACH.** The Parties, by entering into this Agreement, submit to jurisdiction in Hartford, Connecticut for adjudication of any disputes and/or claims between the parties under this Agreement. Furthermore, the parties hereby agree that the courts of Hartford, Connecticut shall have exclusive jurisdiction over any disputes between the parties relative to this Agreement, whether said disputes sound in contract, tort, or other areas of the law.
- K. **STATE LAW.** This Agreement shall be interpreted under, and governed by, the laws of the State of Connecticut.

IN WITNESS WHEREOF and acknowledging acceptance and agreement of the foregoing, BORROWER and LENDER affix their signatures hereto.

BORROWER:

Grist Mill Capital, LLC


Signature

By: Daniel B. Carpenter

Title: Chairman of the Managing Member

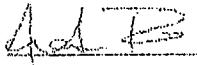
Dated: October 1, 2007

ADDRESS:

100 Grist Mill Road

Simsbury, CT 06070

WITNESS:



Amanda Rossi
Name

LENDER:

Grist Mill Trust


Signature

By: Wayne H. Bursey

Title: Trustee

Dated: 10 - 1, 2007

**ACKNOWLEDGMENT OF
PAYMENT IN FULL AND RECEIPT**

Grist Mill Trust


Signature

Donna Dawson

Date

EXHIBIT 46

100 Grist Mill Road
Simsbury, CT 06070

GRIST MILL TRUST

Memo

To: Grist Mill Capital
Cc: Daniel E. Carpenter & Amanda Rossi
From: Grist Mill Trust
Date: 11/30/2009
Re: Grist Mill Capital requested loan on behalf of REDACTED from GMT Trust

The Pay-off Amount for the above loan as of November 30, 2009 is \$510,000.00

Please see breakdown below of Principal:

	Principal	Interest	Total	Balance Due	Balance
Advance on July 23, 2009	\$500,000.00	\$10,000	\$510,000.00	\$510,000.00	\$0.00

On July 23, 2009

There was a request to loan Grist Mill Capital \$500,000 on behalf of REDACTED. The loan is calculated from July 23, 2009 to November 30, 2009 at 6% percent total owed \$510,000.00. The loan was paid off 12/03/2009

100 Grist Mill Road
Simsbury, CT 06070

GRIST MILL TRUST

Memo

To: Grist Mill Capital
Cc: Daniel E. Carpenter & Amanda Rossi
From: Grist Mill Trust
Date: 11/30/2009
Re: Grist Mill Capital requested Policy payment for REDACTED
from the SADI Plan & Trust

The Pay-off Amount for the above loan as of November 30, 2009 is \$178,125.00

Please see breakdown below of Principal:

	Principal	Interest	Total	Balance Due	Balance
Advance on February 13, 2008	\$178,125.00	\$0.00	\$178,125.00	\$178,125.00	\$0.00

On February 13, 2008

There was a request to pay \$178,125.00 on REDACTED policy # REDACTED. The Loan is from February 13, 2008 thru November 30, 2009. Paid off December 3, 2009.

EXHIBIT 47

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK
CASE NO. 11-1590-LTS-HBP

UNIVERSITAS EDUCATION, LLC

Plaintiff,

VS.

NOVA GROUP, INC., as trustee,
sponsor and fiduciary of the
CHARTER OAK TRUST WELFARE
BENEFIT PLAN,

Defendant.

April 17, 2013

10:00 a.m.

DEPOSITION OF DANIEL E. CARPENTER

REPORTED BY:

MARY G. VAN DINA, Certified Court Reporter,
Certified LiveNote Reporter.

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April 17, 2013

10:00 a.m.

Deposition of DANIEL E. CARPENTER,
taken by Plaintiffs, pursuant to subpoena, at the
offices of LOEB & LOEB, LLP, 345 Park Avenue, New
York, New York, before MARY G. VAN DINA, a
Certified Shorthand Reporter and Notary Public
within and for the State of New York.

1

2 A P P E A R A N C E S:

3

4 LOEB & LOEB, LLP

5 345 Park Avenue

6 4 New York, New York 10154

7 BY: PAULA KAE COLBATH, ESQ.

8 MICHAEL BARNETT, ESQ.

9 Attorneys for the Plaintiff

10

11 ANTHONY J. SIANO, ESQUIRE, PLLC

12 333 Westchester Avenue, Suite 302

13 White Plains, New York 10604

14 BY: ANTHONY SIANO, ESQ.

15 Attorneys for Daniel E. Carpenter

16

17 HALLORAN & SAGE, LLP

18 315 Post Road West

19 Westport, Connecticut 06880

20 BY: DAN E. LABELLE, ESQ.

21 Attorneys for Molly Carpenter

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INDEX

WITNESS	PAGE
DANIEL E. CARPENTER	
BY MS. COLBATH	5

E X H I B I T S

NUMBER	DESCRIPTION	PAGE
Moonstone 1	Order to Show Cause with Temporary Restraining Order and Application for Turnover of Insurance Proceeds and Imposition of Constructive Trust	9
Moonstone 2	Document, Bates Nos. TD Universitas 0998 through 1002	18
Moonstone 3	Document bearing Bates stamp number TD-Universitas 0524	63
Moonstone 4	UCC Financing Statement	66

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2 **Moonstone 5 Open End Mortgage Deed 114**

3 **and Security Agreement**

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1 Daniel Carpenter 4/17/13

2 DANIEL E. CARPENTER, 18 Pondsides
3 Lane, West Simsbury, Connecticut 06092, having
4 been duly sworn by the Notary Public, testified
5 as follows:

6 EXAMINATION BY MS. COLBATH:

7 Q. Good morning, Mr. Carpenter. As you
8 know, my name is Paula Colbath, and I'm a lawyer
9 here at Loeb & Loeb. We represent Universitas
10 Education, LLC in this proceeding.

11 You've been deposed before, sir.
12 Correct?

13 A. Yes, ma'am.

14 Q. And you understand that your answers
15 today need to be audible so the court reporter
16 can take down your answers? She doesn't -- it's
17 difficult for her to take down nods.

18 A. Yes, ma'am.

19 Q. If you need a break today, please let
20 me know. We'll take a break.

21 Is that agreeable?

22 A. Yes.

23 Q. And, sir, if I ask you a question
24 today that you don't understand, please let me
25 know.

1 Daniel Carpenter 4/17/13

2 Q. Are you familiar with more than one
3 entity that has Moonstone in the name?

4 A. No.

5 Q. What is your relationship to Moonstone
6 Partners, LLC?

7 A. I am the chairman of Caroline
8 Financial Group, Inc., which is the managing
9 member and tax matters partner of Moonstone
10 Partners, LLC.

11 Q. Is Caroline Financial Group, Inc. a
12 member of Moonstone?

13 A. Yes.

14 Q. Are there any other members of
15 Moonstone currently?

16 A. Yes.

17 Q. Whom are the other members?

18 A. Molly Carpenter.

19 Q. At any point prior to today, have
20 there been any other members of Moonstone?

21 A. No.

22 Q. Is there -- strike that.

23 Does Moonstone have any understanding
24 currently with any individuals or entities to
25 make them members?

1 Daniel Carpenter 4/17/13

2 it to.

3 Q. To whom have you rented the property?

4 A. A number of employees of USB Group, as
5 well as Benistar.

6 Q. Why was an LLC formed to take
7 ownership of the property?

8 A. All of -- anything that I invested in
9 is either held in an LLC or it's held in a trust,
10 you know, for either estate planning purposes or
11 protection, you know, asset protection, you know,
12 type purposes, so that if something happens on
13 one property, people can only sue that property
14 and they cannot sue other properties that are
15 owned by different trusts or different LLCs.

16 Q. Is part of your motivation also to
17 avoid being sued personally?

18 A. I've been constantly sued since about
19 January 6th of 2001, so I've been under a
20 constant siege of lawsuits since early January of
21 2001.

22 MR. SIANO: May I have a moment,
23 please?

24 MS. COLBATH: Sure.

25 (Off-the-record discussion.)

1 Daniel Carpenter 4/17/13

2 BY MS. COLBATH:

3 Q. What is the significance, if any, to
4 the January 26, 2001 date that you referenced in
5 your last answer?

6 A. The company that I work for invested
7 money for Section 1031 tax-free exchanges, and I
8 lost a little over \$8 million in the great stock
9 market fall of December of 2000, and shortly
10 thereafter, in January of 2001, there were a
11 number of lawsuits that started against the
12 company and me personally and that litigation is
13 still going on today in Boston.

14 Q. Is that company you're referring to
15 Benistar Property Exchange?

16 A. It's now called Boston Property
17 Exchange, but at that time it was Benistar
18 Property Exchange, but it's now Boston Property
19 Exchange, but at the time it was Benistar
20 Property Exchange Trust Company, but the name has
21 been changed to Boston Property Exchange.

22 Q. Who were the shareholders of Caroline
23 Financial Group, Inc.?

24 A. I don't know.

25 Q. Who would know?

1 Daniel Carpenter 4/17/13

2 A. If I don't know, I don't believe
3 there's anybody who would know.

4 Q. Is Caroline Financial Group, Inc. a
5 company that's currently in good standing in a
6 jurisdiction?

7 A. Yes, ma'am.

8 Q. How do you know that?

9 A. Because every year, we follow up with
10 the state of Delaware.

11 Most of the entities that I'm involved
12 with are incorporated in Delaware and we
13 routinely just -- you know, every March, we just
14 make sure that we're current with the franchise
15 tax and the annual reporting, so that I just
16 happen to know that Caroline Financial Group is
17 in good standing.

18 Q. Who is the "we" that you referred to
19 in your last answer that makes sure that Caroline
20 Financial Group is current?

21 A. I use the editorial "we" and the
22 empirical "we" a lot, but the person who follows
23 up to make sure that the company is in good
24 standing is Amanda Rossi.

25 Q. Who are the officers and directors

1 Daniel Carpenter 4/17/13

2 currently of Caroline Financial Group, Inc.?

3 A. It's just myself as chairman and
4 secretary.

5 Q. Do you recall who -- putting aside who
6 the current shareholders of Caroline Financial
7 Group, Inc., do you know who any -- any
8 shareholders were at any point in time?

9 A. No.

10 Q. Who formed Caroline Financial Group,
11 Inc.?

12 A. I did.

13 Q. When was it formed?

14 A. I think in 1995.

15 Q. What's the business of Caroline
16 Financial Group, Inc.?

17 A. It acts as the managing member and the
18 tax matters partner of a number of different
19 entities.

20 Q. Can you identify any of those
21 entities?

22 A. I could, but it's probably too
23 numerous to mention.

24 Q. Okay. Well, does Caroline Financial
25 Group, Inc. have any relationship to Grist Mill

1 Daniel Carpenter 4/17/13

2 Capital, LLC?

3 A. Yes, Caroline Financial Group is the
4 managing member and the tax matters partner of
5 Grist Mill Capital.

6 Q. Does Caroline Financial Group have
7 any -- and when I refer to Caroline Financial
8 Group, I'm talking about Caroline Financial
9 Group, Inc. I'll just shorten it.

10 Is that agreeable?

11 A. That's fine.

12 Q. Does Caroline Financial Group have any
13 relationship to Grist Mill Holdings?

14 A. Yes, it's the tax matters partner and
15 managing member.

16 Q. And does Caroline Financial Group have
17 the same relationship to Grist Mill Partners,
18 LLC?

19 A. Yes.

20 Q. Are there multiple Grist Mill Capital,
21 LLCs?

22 A. There's only two that I know.

23 Q. And does Caroline Financial Group act
24 as the managing member and tax member for both of
25 Grist Mill Capital LLCs?

1 Daniel Carpenter 4/17/13

2 documents.

3 MR. SIANO: Just a minute.

4 (Off-the-record discussion.)

5 BY MS. COLBATH:

6 Q. And when you say you've signed over

7 200 documents like this, your reference is to

8 Moonstone 2.

9 Are you talking about over 200
10 documents like this at TD Banknorth?

11 A. No, no, at various banks, at various
12 banks.

13 Q. Do I understand you to be saying that
14 you've opened up over 200 bank accounts over the
15 last few years?

16 A. Easily.

17 Q. And other than opening bank accounts
18 at TD Banknorth, what other banks have you opened
19 bank accounts at?

20 A. Well, what time period are you looking
21 at, from --

22 Q. The time period that you referenced
23 when you said you had opened up over 200 bank
24 accounts.

25 A. Okay. Well, you know, there are at

1 Daniel Carpenter 4/17/13

2 BY MS. COLBATH:

3 Q. Where do you currently maintain bank
4 accounts for the businesses that you are involved
5 in?

6 A. I personally don't have any bank
7 accounts right now.

8 Q. Where do the businesses that you're
9 involved in maintain accounts currently?

10 A. I would say most of the business that
11 I am actively involved with -- and none of the
12 businesses that I'm involved with are sham
13 companies, so I would say that most of them are
14 at Peoples.

15 Q. Have you ever been involved in setting
16 up a bank account outside the United States?

17 A. In the past ten years? What time
18 frame?

19 Q. The past 20 years.

20 A. The past 20 years. Not in the past 20
21 years.

22 Q. Have you asked anyone else on your
23 behalf to set up an account outside the United
24 States in the past 20 years?

25 A. No.

1 Daniel Carpenter 4/17/13

2 Q. Has any business with which you've
3 been affiliated in any capacity maintained a bank
4 account outside the United States?

5 A. Not that I know of.

6 Q. Does your wife maintain any bank
7 accounts outside of the United States?

8 A. No.

9 Q. Does Moonstone currently have any
10 liabilities?

11 A. It's got a mortgage payable to Hanover
12 Trust for \$1.1 million.

13 Q. Do you have any relationship with
14 Hanover Trust Company?

15 A. Yes.

16 Q. What's your relationship with Hanover
17 Trust Company?

18 A. I'm the chief investment officer and,
19 you know, I handle various investments for
20 Hanover Trust.

21 Q. When was Hanover Trust Company formed?

22 A. I'm going to say -- it was either 2004
23 or 2005.

24 Q. Who are the current owners of Hanover
25 Trust Company?

1 Daniel Carpenter 4/17/13

2 nothing whatsoever to do with me, I was
3 frightened that they would try to go after the
4 Moonstone property under the same idea that, you
5 know, because Molly Carpenter owned the property,
6 Dan Carpenter still controls it. So that was the
7 reason for setting up the promissory note and the
8 mortgage, to make sure it would be secure.

9 Q. What is the full name of the Phoenix
10 Capital entity you've referred to?

11 A. It's Phoenix Capital Management, LLC.

12 Q. Now, getting back to the cash that
13 Hanover Trust Company had, what cash did Hanover
14 Trust Company have in 2009?

15 A. Before Phoenix Capital?

16 Q. Before the Phoenix Capital transfer.

17 A. They just had cash value and annuities
18 and life insurance policies.

19 Q. And what is your relationship, if any,
20 to Phoenix Capital Management?

21 A. I'm either the head trustee, chief
22 financial officer or chief investment officer, so
23 I'm the only person that signs for and directs
24 the investments of Hanover Trust.

25 Q. Okay. My question related to Phoenix

1 Daniel Carpenter 4/17/13

2 Capital Management, and you ended with Hanover
3 Trust Company?

4 A. I thought you asked me about Hanover
5 Trust.

6 Q. No. What is your relationship with
7 Phoenix Capital Management?

8 A. I'm the only investment officer.
9 Phoenix Capital Management is the investment arm
10 of Carpenter Financial Group, so I'm the chairman
11 and secretary of Carpenter Financial Group, and
12 Phoenix Capital Management was established to be
13 the lending arm of Carpenter Financial Group.

14 Q. Does Phoenix Capital Management have
15 any employees?

16 A. Just me. There's no payroll. It's
17 just me. I'm the only signature.

18 Q. And what corporate form is the entity
19 known as Phoenix Capital Management?

20 A. It's a Delaware LLC.

21 Q. Whose its managing member?

22 A. I believe that it's Caroline Financial
23 Group, and it's owned 99 percent by Carpenter
24 Financial and 1 percent by Caroline Financial
25 Group.

1 Daniel Carpenter 4/17/13

2 I correct that it's your position that the money
3 for the purchase of the Rhode Island property did
4 not originate with Grist Mill Capital?

5 A. Yes, it did not originate with Grist
6 Mill Capital.

7 The money came from Phoenix Capital to
8 Grist Mill Holdings and then from Grist Mill
9 Holdings, it went to Hanover, and then from
10 Hanover over to Moonstone.

11 Q. What is the business of Grist Mill
12 Capital, LLC?

13 A. Grist Mill Capital is just in the
14 business of investing in life insurance policies.

15 Q. What's the business of Grist Mill
16 Holdings, LLC?

17 A. Grist Mill Holdings is my alter ego
18 for collecting commissions.

19 Q. And what is the business, to the
20 extent you haven't already told me, of Hanover
21 Trust Company?

22 A. Just to handle various assets. That's
23 it.

24 Q. Have you ever accessed the cash value
25 of any of the insurance policies held by Hanover

1 Daniel Carpenter 4/17/13

2 Capital Management and Grist Mill Holdings.

3 MR. SIANO: I'll take that under
4 advisement.

5 BY MS. COLBATH:

6 Q. Now, the transaction between Grist
7 Mill Holdings and Hanover Trust Company was in
8 the amount of \$1.2 million.

9 Correct?

10 A. Yes.

11 Q. Okay. Now, was that transaction a
12 loan?

13 A. I don't believe so. I believe it was
14 just an investment.

15 Q. Is there any writing reflecting that
16 investment?

17 A. I don't believe so.

18 Q. Who on behalf of Grist Mill Holdings
19 made the decision to invest in Hanover Trust
20 Company?

21 A. It would have been me.

22 Q. Were there any negotiations between
23 anyone on behalf of Hannover Trust Company and
24 Grist Mill Holdings concerning the investment?

25 A. It would have been a very small

1 Daniel Carpenter 4/17/13

2 meeting. As I control Grist Mill Holdings and I
3 control Hanover Trust, it would have been me
4 talking to myself.

5 BY MS. COLBATH:

6 Q. Are there any loan agreements between
7 the Charter Oak Trust and Grist Mill Capital?

8 MR. SIANO: Don't answer that
9 question. Beyond the scope of the
10 deposition.

11 MS. COLBATH: I mean, I really have to
12 differ with you, Mr. Siano, at this point.

13 You have our papers. We have
14 documented money going from the Charter Oak
15 Trust to Grist Mill Capital and a number of
16 other entities, and we're entitled to know
17 whether that money was a loan, was an
18 investment, was authorized, was negotiated.
19 So it's at the heart of the deposition.

20 MR. SIANO: No, this deposition is
21 about Moonstone. This deposition is about
22 Moonstone.

23 MS. COLBATH: This deposition, by
24 court order, is about --

25 MR. SIANO: South Kingstown

1 Daniel Carpenter 4/17/13

2 A. I don't remember. I don't know if
3 anybody represented -- Nova Group, Inc. was the
4 shell corp. that acted as the sponsor of the
5 Charter Oak Trust.

6 Q. And to the best you can recall, in
7 connection with the transaction set forth in
8 Moonstone 4, you're not aware of anyone
9 representing Nova Group, Inc.'s interest?

10 A. I have no knowledge of who was
11 representing Nova Group, Inc., and I know that
12 Halloran & Sage was definitely representing Grist
13 Mill Capital, and I don't know if there would
14 have been a conflict, so I'm going to guess that
15 Halloran & Sage would not have represented Nova
16 Group, Inc., because there's an inherent conflict
17 between Grist Mill Capital being the creditor and
18 Nova Group representing the Charter Oak Trust as
19 the debtor.

20 Q. Right.

21 A. So I don't know who would have
22 represented Nova Group at all.

23 Q. And if I asked the question a little
24 differently, would you answer me the same?

25 Was anyone representing Charter Oak

1 Daniel Carpenter 4/17/13

2 Q. You're aware, sir, that Lincoln Life
3 paid the Charter Oak Trust approximately \$30.7
4 million in May 2009?

5 A. Correct.

6 Q. And you testified that Grist Mill
7 Capital received approximately 4.2 million of
8 those?

9 A. In relation to those Sash Spencer
10 proceeds, correct.

11 Q. So if you subtract the 4.2 from the
12 30.7, you're left with \$26.5 million in the
13 Charter Oak Trust. Correct?

14 A. Correct.

15 Q. Okay. Do you have any idea where that
16 \$26.5 million went?

17 A. Yeah, I've got a very good idea.

18 Q. Where?

19 A. In other words, when TD Bank announced
20 that it was closing out the account, we basically
21 had somewhere around \$40 million, maybe 45
22 million owed to Grist Mill Capital, and I believe
23 there was like \$11 million left in the Charter
24 Oak Trust account, and we made a demand to have
25 that money paid to Grist Mill Capital.

1 Daniel Carpenter 4/17/13

2 So any money that was in the Charter
3 Oak Trust account was effectively seized by Grist
4 Mill Capital.

5 Q. And does Grist Mill Capital still have
6 this \$26.5 million?

7 A. No, Ridgewood foreclosed on us twice
8 and threatened to sue me personally, so Ridgewood
9 Capital took all of the policies that they had
10 something to do with, and they took policies that
11 Grist Mill Capital owned, and they took whatever
12 cash they could.

13 So there was absolutely no assets left
14 from the Charter Oak Trust or Grist Mill Capital
15 as of September of 2010.

16 Q. The \$26.5 million --

17 MR. SIANO: Give me a minute.

18 (The witness confers with his
19 attorney.)

20 THE WITNESS: Could you repeat the
21 question? Maybe I didn't understand the
22 question. So just repeat the question.

23 MR. SIANO: The question he answered.

24 (The pertinent portion is read back by
25 the reporter.)

1 Daniel Carpenter 4/17/13

2 A. If I didn't ask them to do it, I don't
3 think they would do it for me. So I'd say, no,
4 I've never had anybody backdate a document for
5 me. I've never asked anyone to do it, and I
6 don't believe anybody has ever backdated a
7 document for me.

8 Q. At the time this document was signed
9 in October 2010 -- I think it's fair to say that
10 it was signed in October 2010. Correct?

11 A. Once again, I believe that -- I
12 believe that the reason we did this document at
13 the same time was that there was another
14 transaction involving one of our affiliates named
15 Richard Belding, and we basically said, hey,
16 we're doing this loan between Carpenter Financial
17 Group and Richard Belding, let's document the
18 loan between Hanover and Moonstone.

19 So I realized that the Moonstone
20 transaction was done in 2009, but the genesis of
21 this document was we were doing another mortgage
22 for Rich Belding and that's why I believe we
23 created this document, and Bob Cox created both
24 mortgages.

25 Q. This gentleman, Mr. Belding, he has

1 Daniel Carpenter 4/17/13

2 nothing whatsoever to do with Moonstone Partners,
3 LLC. Correct?

4 A. Correct.

5 Q. Why didn't Phoenix Capital Management
6 loan the money directly to Moonstone?

7 A. Phoenix Capital Management put the
8 money into Grist Mill Holdings, but certainly --
9 certainly, we could have lent money directly
10 to -- Phoenix Capital Management could have
11 directly lent money to Moonstone, but we didn't
12 do it that way, so...

13 Q. Why not?

14 A. I don't know. You know, in other
15 words, I could have borrowed money out of my
16 insurance policies and financed the purchase of
17 Moonstone, but we didn't do it that way either.

18 Q. That would require you to go to the
19 insurance carriers to tap into your cash value.
20 Correct?

21 A. Correct, but I've done that before to
22 buy other businesses. In other words, why we
23 decided to do one transaction rather than
24 another, but the reason for using Hanover Trust
25 is to make sure that someone wouldn't be coming

1 Daniel Carpenter 4/17/13

2 after the Moonstone property.

3 So Phoenix Capital Management had
4 cash. Hanover didn't have any cash. So when you
5 ask the question of why didn't you just have
6 Phoenix Capital lend money directly to Moonstone,
7 I would say it was my fear that someone would
8 say, you know, it's all Dan Carpenter, and the
9 reason for doing this transaction in the first
10 place was to make sure that the Boston exchangers
11 wouldn't go after the Moonstone property because
12 under the theory that Dan Carpenter owns and
13 controls everything.

14 So there's no question that Phoenix
15 Capital Management is owned and controlled by
16 Carpenter Financial Group, and if they're going
17 after independent entities that have absolutely
18 nothing to do with Daniel Carpenter, then clearly
19 they would go after a transaction where it's
20 Carpenter Financial Group that owns 99 percent of
21 Phoenix.

22 So the whole reason behind the
23 security agreement and the whole reason behind
24 Hanover Trust is to protect Moonstone from the
25 Boston exchangers.

EXHIBIT 48

CHASE

Business Signature Card

ACCOUNT TITLE
GRIST MILL TRUST



ACCOUNT NUMBER 708119862 New Account
ACCOUNT TYPE Chase Business Classic

TAX PAYER ID NUMBER 06-6526773

DATE OPENED 03/12/2007

FORM OF BUSINESS Trust Company
ISSUED BY JPMorgan Chase Bank, N.A. (802)
SBB RM Northern CT
ZABEL ROBLES
(203)382-5328

EXPIRATION DATE 3/12/2007

ISSUANCE DATE
ISSUER Delaware

ID NUMBER

PRIMARY IDENTIFICATION

Articles of Incorporation

SIGNER(S) TO BE ADDED LATER

ACKNOWLEDGEMENT - By signing this Signature Card, either individually, jointly, or through your duly authorized representative(s), you apply to open a deposit account at Chase. You represent and warrant that (i) the signatures appearing below are genuine or facsimile signatures of the person(s) authorized to transact business on your account and (ii) all necessary action or formalities where necessary have been taken to authorize the named person(s) to so act. The Bank is entitled to rely on the authority of the named person(s) and will not be responsible for any loss or damage resulting from reliance on the authority of the named person(s). You agree to provide the Bank with all necessary information and documents to open and maintain the account and to authorize the Bank, at its discretion, to obtain credit reports on you. You acknowledge receipt of the Bank's deposit account agreement which includes all provisions that apply to this deposit account, and other agreements and service terms for account analysis and other treasury management services if applicable, and agree to be bound by the agreements and terms contained therein.

CERTIFICATION - I certify under penalty of perjury that (i) the Taxpayer Identification Number given is correct and (ii) I am not subject to backup withholding, or (iii) I have not been notified by the Internal Revenue Service (IRS) that I am subject to backup withholding as a result of failure to report all interest or dividends, or (iv) the IRS has notified me that I am no longer subject to backup withholding, and (v) I am a U.S. person (including a U.S. resident alien).

☐ If the IRS has notified you that you are subject to backup withholding due to underreporting interest or dividends on your tax return, and you have not been notified that the backup withholding is terminated, check here and cross out item 2 above.

The IRS does not require your consent to any provision of this document other than the certifications required to avoid backup withholding.

PRINTED NAME TAX PAYER ID # TITLE SIGNATURE DATE

WAYNE H BURSEY 044-46-0990 Trustee 3-22-07

MOLLY D CARPENTER 042-60-7784 Signer 3-22-07

10-01051

(03/27/07)

.06646

COT_JPM000051

EXHIBIT 49

INSURED ROBERT LEVINTHAL

POLICY NUMBER 020095030

ISSUE AGE, SEX 58, MALE

CLASS NON-TOBACCO

SPECIFIED FACE AMOUNT \$7,000,000.00

MINIMUM SPECIFIED FACE AMOUNT \$100,000

DEATH BENEFIT COMPLIANCE TEST GUIDELINE PREMIUM

DEATH BENEFIT OPTION OPTION A :SPECIFIED FACE AMOUNT

INITIAL PREMIUM \$1,041,623.52 DUE ON DECEMBER 05, 2003
(INCLUDES THE FIRST PLANNED PERIODIC PREMIUM)

PLANNED PERIODIC PREMIUM \$25,000.00

BILLING PERIOD ANNUALLY

ISSUE DATE JULY 22, 2004

POLICY DATE (UNLESS CHANGED BY AGREEMENT) DECEMBER 05, 2003

CURRENCY UNITED STATES DOLLARS

OWNER GRIST MILL TRUST DTD 10/1/03

BENEFICIARY AS STATED IN THE APPLICATION
UNLESS SUBSEQUENTLY CHANGED

GUARANTEED INTEREST RATE (ANNUAL) 3.00%

INTEREST ENHANCEMENT FACTOR 0.25

INTEREST ENHANCEMENT PERIOD POLICY YEARS 10 AND AFTER

MAXIMUM INTEREST ENHANCEMENT (ANNUAL) 0.50%

POLICY LOAN INTEREST RATE (ANNUAL) 5.00% DURING POLICY YEARS 1 - 42

*PAYMENT OF PREMIUMS DOES NOT NECESSARILY GUARANTEE COVERAGE TO AGE 100 AND COVERAGE MAY TERMINATE IF THE CASH VALUE BECOMES INSUFFICIENT TO CONTINUE COVERAGE TO THAT DATE.

ULN-2002

This policy is a counterpart of the original policy issued with the same number which is deemed to have been lost or destroyed. The original policy and this counterpart thereof shall constitute but one and the same instrument.
(Dated) 7/14/04
58a-516

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1. POLICY SPECIFICATIONS
(POLICY NUMBER 020095030)

EXPENSE CHARGE APPLIED
TO PREMIUM

6.00%

MONTHLY EXPENSE CHARGE

\$10.00 IN ALL POLICY YEARS
PLUS \$0.46 PER \$1000 OF SPECIFIED
FACE AMOUNT DURING POLICY YEARS 1 - 10

MAXIMUM PARTIAL WITHDRAWAL

20% OF CASH SURRENDER VALUE DURING POLICY YEARS 1-10
100% OF CASH SURRENDER VALUE IN POLICY YEARS 11
AND AFTER

PARTIAL WITHDRAWAL FEE

\$25.00

ULN-2002

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1. POLICY SPECIFICATIONS
(020095030)

SUPPLEMENTAL BENEFIT RIDER(S)

ACCELERATED BENEFIT RIDER

ULN-2002

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1. POLICY SPECIFICATIONS
(POLICY NUMBER 020095030)

SURRENDER CHARGE ON THE SPECIFIED FACE AMOUNT AT THE POLICY DATE

<u>POLICY YEAR</u>	<u>SURRENDER CHARGE</u>
1	\$154,420.00
2	\$143,360.00
3	\$132,370.00
4	\$121,310.00
5	\$110,320.00
6	\$99,260.00
7	\$88,270.00
8	\$77,210.00
9	\$66,150.00
10	\$55,160.00
11	\$44,100.00
12	\$33,110.00
13	\$22,050.00
14	\$11,060.00

ULN-2002

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2A. TABLE OF ACCOUNT VALUE PERCENTAGES

POLICY NUMBER 020095030

POLICY YEAR	PERCENTAGE	POLICY YEAR	PERCENTAGE
1	138.00	2	134.00
3	130.00	4	128.00
5	126.00	6	124.00
7	122.00	8	120.00
9	119.00	10	118.00
11	117.00	12	116.00
13	115.00	14	113.00
15	111.00	16	109.00
17	107.00	18	105.00
19	105.00	20	105.00
21	105.00	22	105.00
23	105.00	24	105.00
25	105.00	26	105.00
27	105.00	28	105.00
29	105.00	30	105.00
31	105.00	32	105.00
33	105.00	34	104.00
35	103.00	36	102.00
37	101.00	38	100.00
39	100.00	40	100.00
41	100.00	42	100.00

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ULN-2002

**2B. TABLE OF GUARANTEED MAXIMUM COST OF INSURANCE RATES
PER \$1,000 OF NET AMOUNT AT RISK
POLICY NUMBER 020095030**

POLICY YEAR	MONTHLY RATES	POLICY YEAR	MONTHLY RATES	POLICY YEAR	MONTHLY RATES
1	0.86833	2	0.95583	3	1.05333
4	1.16167	5	1.28500	6	1.42583
7	1.58300	8	1.76083	9	1.95000
10	2.15500	11	2.37500	12	2.61500
13	2.88583	14	3.24250	15	3.54667
16	3.95333	17	4.41000	18	4.90000
19	5.42167	20	5.97000	21	6.53917
22	7.14333	23	7.80583	24	8.54333
25	9.37667	26	10.31583	27	11.34250
28	12.43333	29	13.56667	30	14.73250
31	15.90750	32	17.10750	33	18.34917
34	19.65333	35	21.06250	36	22.63583
37	24.63750	38	27.49667	39	32.04583
40	40.01667	41	34.83167	42	83.33333

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BASIS OF VALUES: COMMISSIONERS' 1980 STANDARD ORDINARY SMOKER AND NONSMOKER, MALE AND FEMALE MORTALITY TABLES.

NOTE: THE MORTALITY BASIS OF A TOBACCO USER IS THAT OF A SMOKER. THE MORTALITY BASIS OF A TOBACCO NON-USER IS THAT OF A NONSMOKER.

ULN-2002

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PLAN 23 2004 10:21

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P.04

REQUEST FOR ALTERATION OF APPLICATION



Policy Number _ 020095030 on the life of _ Robert Levinthal _

The Sun Life Assurance Company of Canada, a member of the Sun Life Financial group of companies, is hereby requested to accept the following answers in lieu of the answers to the corresponding questions on the application by the undersigned for the numbered policy.

Question 11 - Trustee(s) Name: Daniel E. Carpenter

Question 12 - Beneficiary: Gold Mill Trust dated 10-1-03, Daniel E. Carpenter, Trustee

Question 13A - Base plan applied for: Sun Universal Protector Plus


Base Face Amount: \$7,000,000

Question 15 - Death Benefit Option: A (Level)

Question 16 - Planned Periodic Premium: \$25,000

Question 20 - Payment Mode: Annual

It is hereby agreed by the undersigned that the above answers shall form part of the said application and that a copy of this Alteration of Application, the signed original of which is to be recorded at the Head Office of the Company, shall be attached to and shall apply to any policy issued thereon.

Signed at Honolulu, TX 
Daniel E. Carpenter - Trustee

On August 31 20 04 Signature _____
Date

In presence of Jenny Valdesena Signature _____
Witness

New Business, July 21, 2004

SLPC 4954 One Sun Life Executive Park, Wellesley Hills, Massachusetts 02461 Tel: (781) 237-6030

TOTAL P.04
TOTAL P.19

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P.02

Sun Life Assurance Company of Canada Part I of Application for Life Insurance



Sun Life Financial

Proposed Insured(s) Information

"Life Two" responses are for survivorship policies only.

<p>Proposed Insured Life One</p> <p>12. Mr. <input type="checkbox"/> Mrs. <input type="checkbox"/> Ms. <input type="checkbox"/> Dr. <input type="checkbox"/></p> <p>Name <u>Levinthal, Robert</u></p> <p>24. Home Address <u>4 Eaton Square</u></p> <p><u>Brooklyn TX 77027</u></p> <p>Years at Address <u>7 1/2</u></p> <p>26. Mailing Address (if other than above)</p> <p><u></u></p> <p>44. Home Phone <u>(713) 960-1338</u></p> <p>Business Phone <u>(713) 520-7444</u></p> <p>54. Birth Date <u>6 7 45</u></p> <p>Sex <u>Male</u> <input type="checkbox"/> <u>Female</u> <input type="checkbox"/></p> <p>64. Social Security No. <u>461-70-8277</u></p> <p>74. Driver's License No. <u>10731733</u></p> <p>State of Issue <u>TX</u></p> <p>84. Sex <input type="checkbox"/> M <input type="checkbox"/> F <input type="checkbox"/></p> <p>94. Occupation <u>Neurosurgeon</u></p> <p>Name of Employer <u>Houston Neurosurgery</u></p> <p>Address of Employer <u>1300 Smith #1130</u></p> <p><u>Houston TX 77004</u></p>		<p>Proposed Insured Life Two</p> <p>13. Mr. <input type="checkbox"/> Mrs. <input type="checkbox"/> Ms. <input type="checkbox"/> Dr. <input type="checkbox"/></p> <p>Name <u></u></p> <p>25. Home Address <u></u></p> <p><u></u></p> <p>Years at Address <u></u></p> <p>27. Mailing Address (if other than above)</p> <p><u></u></p> <p>45. Home Phone <u></u></p> <p>Business Phone <u></u></p> <p>55. Birth Date <u></u></p> <p>Sex <u></u> <input type="checkbox"/> <u></u> <input type="checkbox"/></p> <p>65. Social Security No. <u></u></p> <p>75. Driver's License No. <u></u></p> <p>State of Issue <u></u></p> <p>85. Sex <input type="checkbox"/> M <input type="checkbox"/> F <input type="checkbox"/></p> <p>95. Occupation <u></u></p> <p>Name of Employer <u></u></p> <p>Address of Employer <u></u></p>	
--	--	---	--

10. This policy will be used primarily for: (Please check only one)

☐ Income Replacement ☐ Supplemental Retirement Income ☐ Estate Plan ☐ Charitable Gift

☐ Spouse Outlier ☐ Group Plan ☐ Key Person ☐ Business Continuity ☐ Deferred Compensation Plan

☐ Other

Special Instructions:

Comments and Attachments (For Sun Life use only):

Owner/Applicant Information

71. Owner or Trust Name GRIST MIL TRUST Date of Birth 10-1-03

Relationship to Insured TRUST

Business Name Daniel F. Carpenter

Address 100 Grist Mill Rd. Simsbury, CT 06068

U.S. Resident? ☒ Yes ☐ No

U.S. Citizen? ☒ Yes ☐ No

UPLD 141250 SLAC 2304 No.

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MAR-17-2004 18:48

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P.83
P.82/31

If owner is a trust, date of trust 10-1-03 State trust was established in Connecticut
 Contingent Owner (if any) _____ Date of birth _____
 Relationship to insured TRUST
 Address _____
 Social Security or Tax Identification No. _____
 Portins U.S. Resident? ☐ Yes ☐ No
 U.S. Citizen? ☐ Yes ☐ No

Beneficiary Information

12. Primary TRUST MAIL TRUST Relationship TRUST
 Primary _____ Relationship _____
 Primary _____ Relationship _____
 Contingent _____ Relationship _____
 Contingent _____ Relationship _____

NOTE: Unless otherwise specified: (a) The surviving beneficiary within a class (primary or contingent) will share equally. (b) If no beneficiary is living when the proceeds become due, the proceeds will be paid to the insured's estate.

Plan Information

13a. Does plan apply for (select only one):

Whole Life Insurance

- ☐ Non-terminating Life Annuity
☐ Non-terminating Life
☐ Specimen Gold
☐ Other _____

Base Face Amount \$ _____

13b. ELA Face Amount \$ _____

ELA to Face Amount \$ _____

13c. Level Plus Premium \$ _____

Single Plus Premium \$ _____

14. Supplemental Benefits

ADB Face Amount \$ _____

Voluer Premium Yes ☐ No ☐

Covered _____

Universal Life Insurance

- ☐ SLL
☐ SLL-PAD
☐ Spectrum Gold UL
☐ Other _____

Base Face Amount \$ _____

ADB Face Amount \$ _____

ADB to Face Amount \$ _____

Level Plus Premium \$ _____

Single Plus Premium \$ _____

14. Supplemental Benefits

ADB Face Amount \$ _____

Voluer Premium Yes ☐ No ☐

Covered _____

Term Insurance

- ☐ ULTR-ART
☐ ULTR-TS
☐ Other _____

Base Face Amount \$ _____

ADB Face Amount \$ _____

Voluer Premium Yes ☐ No ☐

Covered _____

Policy Information

For universal life policies, please complete questions 15 and 16.

15. Death Benefit Option ☐ A (Fixed) ☐ B (Projected) ☐ C (Rider of Premium) ☐ D (2% increase)
☐ E (Rider of Premium plus 2% increase) ☐ Other _____

16. Planned Periodic Premium \$ _____

For whole life policies, please complete questions 17 and 18.

17. Dividend Option ☐ FUA ☐ Cash ☐ Reduction ☐ Deposit ☐ TDO ☐ Other _____18. Is Automatic Premium Loan request, if available? Yes ☐ No ☐

19. Due Date of First Premium _____

20. Payment mode ☐ Annual ☐ Semi-annual ☐ PAC (Draft date: _____)☐ Up, 90% (Money savings note: _____)

21. Amount Paid With Application \$ _____ (refer to Temporary Life Agreement)

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Other Insurance/Replacement Information22. Details of insurance in force and pending with Sun Life and other companies? ☐ None

Proposed/Insured name	Company	Business/Personal	Issue year/Pending	Total Amount

23. Has any application for insurance on your life been declined or offered on a basis other than applied for? If "yes," provide details.

Life One Life Two

☐ Yes ☒ No ☐ Yes ☒ No

24. Will any existing life insurance or annuity with this or any other company be replaced, changed or used as a source of premium payment for the insurance applied for? If "yes," provide details and necessary forms.

☐ Yes ☒ No ☐ Yes ☒ No

25. If a replacement is involved, is it intended as an IRC Section 1035 exchange?

☐ Yes ☒ No ☐ Yes ☒ No

Lifestyle Information

26. (a) Have you used tobacco (cigarettes, cigars, chewing tobacco, etc.) or nicotine-containing products (nicorette gum, nicotine patch, etc.) within the past twelve months? If "yes," provide details.

Life One Life Two

☐ Yes ☒ No ☐ Yes ☒ No

(b) Did you previously use tobacco or nicotine products but have now stopped? If "yes," give date you stopped. CIGARETTES - 10 YRS
CIGARS - 2 YRS

☒ Yes ☐ No ☐ Yes ☒ No

27. Do you plan to travel or reside outside of the U.S. in the next two years? If "yes," provide details.

☐ Yes ☒ No ☐ Yes ☒ No

28. Have you within the past two years:

(a) Flown as a pilot or co-pilot in any type of aircraft?

(If "yes," an Aviation Questionnaire is required on both lives.)

☐ Yes ☒ No ☐ Yes ☒ No

(b) Participated in scuba diving, parachuting, hang gliding, motorized racing or any other hazardous sport? (If "yes," appropriate questionnaire is required.)

☐ Yes ☒ No ☐ Yes ☒ No

29. Have you in the last three years while operating a motor vehicle, boat or aircraft:

(a) Been charged with any moving violations?

☒ Yes ☐ No ☐ Yes ☒ No

(b) Had your operator's license restricted, suspended or revoked?

☐ Yes ☒ No ☐ Yes ☒ No

(c) Been charged with operating while under the influence of alcohol and/or drugs?

☐ Yes ☒ No ☐ Yes ☒ No

If "yes," provide details.

Spending 2002**Statement of Health**

Complete for non-medical application on all persons to be covered as shown in 1A and 1B.

30. Family History

Life One	Age(s) if Living	Age(s) at Death	State of Health or Cause of Death	Life Two	Age(s) if Living	Age(s) at Death	State of Health or Cause of Death
Father		<u>60</u>	<u>lung cancer</u>	Father			
Mother	<u>87</u>		<u>COPD - CANCER</u>	Mother			
Brother(s)	<u>None</u>		<u>Age 76</u>	Brother(s)			
Sister(s)				Sister(s)			

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For "yes" responses to questions 31, 33 and 34, please provide details on the next page.

- | | | | |
|--|-----------|---|--|
| <p>39. Have any of your parents, brothers or sisters had diabetes, heart disease or high blood pressure?</p> | | <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| <p>32. Life One: Height <u>5'10</u> Weight <u>195</u></p> | Life Two: | Height _____ | Weight _____ |
| <p>33. Have you had a change of weight of more than 10 pounds within the past 12 months? If "yes," how much and for what reason?</p> | | <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| <p>34. Are you being treated by diet, drugs or other means?</p> | | <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| <p>35. Name(s) and address(es) of personal physician(s):
Life One
<u>NONE</u></p> | Life Two | | |
| <hr/> | | | |
| <hr/> | | | |
| <hr/> | | | |
| Data last seen and reason for visit: | | | |

For all "yes" responses to questions 36-39, please include diagnoses, dates, durations, names and addresses of attending physicians and medical facilities on the next page.

36. Have you ever had, been told you have or been treated by a physician for:

 - (a) High blood pressure, chest discomfort, stroke, circulatory or heart disorder? ☐ Yes ☒ No ☐ Yes ☐ No
 - (b) Diabetes, sugar in the urine, thyroid, or other glandular (endocrine) disorder? ☐ Yes ☒ No ☐ Yes ☐ No
 - (c) Kidney, bladder, urinary, reproductive organ or prostate disorder? ☐ Yes ☒ No ☐ Yes ☐ No
 - (d) Protein (albumin), blood or pus in the urine, sexually transmitted disease or venereal disease? ☐ Yes ☒ No ☐ Yes ☐ No
 - (e) Cancer, tumor, polyp, or disorder of the skin or breast? ☐ Yes ☐ No ☐ Yes ☐ No
 - (f) Asthma, pneumonia, emphysema, or any other respiratory or lung disorder? ☐ Yes ☒ No ☐ Yes ☐ No
 - (g) Seizure, convulsion, fainting, loss of consciousness, tremor, paralysis, or other disorder of the nervous system? ☐ Yes ☒ No ☐ Yes ☐ No
 - (h) Anxiety, depression, stress or any psychological or emotional condition or disorder? ☐ Yes ☒ No ☐ Yes ☐ No
 - (i) Colitis, hepatitis, ulcers, or other disorders of the stomach, liver or digestive system? ☐ Yes ☒ No ☐ Yes ☐ No
 - (j) Arthritis, gout, back or joint pain, bone fracture, or muscle disorder? ☐ Yes ☒ No ☐ Yes ☐ No
 - (k) Anemia, bleeding, or blood disorder? ☐ Yes ☒ No ☐ Yes ☐ No
 - (l) Acquired Immune Deficiency Syndrome (AIDS) or AIDS-Related Complex (ARC)? ☐ Yes ☒ No ☐ Yes ☐ No
 - m) A positive blood test for antibodies to the AIDS (HIV) virus? ☐ Yes ☒ No ☐ Yes ☐ No

37. Have you:

 - (a) Regularly used amphetamines, marijuana, cocaine, hallucinogens, heroin or other drugs except as prescribed by a physician? ☐ Yes ☒ No ☐ Yes ☐ No
 - (b) Been treated or counseled for alcoholism or drug abuse? ☐ Yes ☐ No ☐ Yes ☐ No
 - (c) Been advised to reduce your consumption of alcohol? ☐ Yes ☒ No ☐ Yes ☐ No

38. Do you have any health symptoms for which a physician has not been consulted or treatment received? For example, persistent fever, unexplained weight loss, loss of appetite, pain or swelling? ☐ Yes ☒ No ☐ Yes ☐ No

39. Other than previously stated, have you within the past five years:

 - (a) Had a checkup, consultation, illness, surgery or been hospitalized? ☐ Yes ☒ No ☐ Yes ☐ No
 - (b) Had an electrocardiogram, stress or exercise test, x-ray, blood test or other diagnostic test? ☒ Yes ☐ No ☐ Yes ☐ No
 - (c) Been advised to have, or scheduled, any diagnostic test, hospitalization or surgery which was not completed? ☐ Yes ☒ No ☐ Yes ☐ No

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FAX NO. 9786592911

P. 02/02

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713 659 5981 P.02/02

Life One Details
39B-36E-77AB EXTERNAL BILLY RF
SKIN BENNY (SAR) WICK
DR. MELANOMA - DR. MORRIS
ROSS - HOUSTON TX
DERMATOLOGIST (SAR) - JIM STOR
HOUSTON TX 77024
35-1791 LUGAR (SAR) STOR
DR. WOLC

Life Two Details
3-05-04-08-19-01

Request for Taxpayer Identification Number and Derivation (To be Completed by Owner/Taxpayer)

CERTIFICATION - UNDER PENALTIES OF PERJURY, I CERTIFY THAT

- (1) The number shown in Part I hereon is not a proposed number of this form is my correct taxpayer identification number AND
- (2) I am not subject to backup withholding because (a) I am exempt from backup withholding, or (b) I have not been notified by the Internal Revenue Service (IRS) that I am subject to backup withholding as a result of a failure to report to the IRS or otherwise, or (c) the IRS has notified me that I am no longer subject to backup withholding.

(X) James E. Carpenter
Signature of owner/taxpayer

8-31-04

Date

Signature Section

I/we understand and agree that

- The information provided in this application (Part I and Part II) is correct, if required, in the body and demand part of the insurance issued to a result of this application.
- No insurance agent or medical examiner has the authority to make or modify a Sun Life policy to include or exclude any person or persons.
- In accepting a policy, I/we also accept any conditions and endorsements made by Sun Life. No change in plan, amount, benefit, age or term or classification can be made without a written consent from Sun Life. Sun Life may change or charge any fee for continuation of coverage to the policy if, in its discretion, and for universal life policies, Sun Life may change any credited rate, mortality expense, or other expense charge to the policy at its sole discretion.
- Except as provided in a Temporary Insurer Agreement naming the agent's number and date at the application, no insurance requested by this application will be effective until a policy is issued during the lifetime of the insured and the Sun Life has received the first full premium due on the policy requested, and to the extent made in this application are any conditions and terms of the policy as delivered.
- Such documents are used to assist in understanding how the policy will perform over time, under a number of assumptions, with acknowledgment that any estimates and existing rates shown in this application are not estimates or guarantees and that any change in these rates may affect the policy performance. We also understand that any sales literature used is not a contract and will not become part of any policy issued by Sun Life of Canada.

We certify that the statements and answers in this application are complete and true to the best of our knowledge and believe they are correctly recorded. We understand that any person who knowingly and with intent to defraud any insurance company or other person files an application for insurance or reinstatement of insurance containing any material false information or conceals for the purpose of obtaining insurance, information concerning any fact material to the insurance contract, is guilty of insurance fraud, which is a crime and subject to civil and criminal penalties.

We warrant any physician, hospital or other medical professional having information concerning the medical information bureau or other organization or person that has any records or knowledge of medical history to give such information to Sun Life of Canada, its authorized agents or its representatives. This authorization is valid for thirty (30) months from its date. A photocopy of this authorization may be used as the original.

Signed at Houston TX on 8-31-04

(X) James E. Carpenter
Signature of insured (if not required by insurance law)

X
Signature of proposed insured (if required)

(X) James E. Carpenter
Signature of applicant (other than proposed insured life)

X
Signature of co-owner

James E. Carpenter
Signature of agent (where required)

Agent's License Number

UND 1425d

No.

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DEC-01-2003 11:01

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Sun Life
of Canada

Shining over America since 1895

Part II of Application for Life Insurance

1. Name of proposed insured Robert LEVINTHAL MD Application Number: _____

2. Are you being treated by diet, drugs or other means? ☐ Yes ☒ No

3. Have you ever had, been told you have or been treated by a physician for:

(a) High blood pressure, chest discomfort, stroke, circulatory or heart disorder? ☐ Yes ☒ No

(b) Diabetes, sugar in the urine, thyroid, or other glandular (endocrine) disorder? ☐ Yes ☒ No

(c) Kidney, bladder, urinary, reproductive organ or prostate disorder? ☐ Yes ☒ No

(d) Protein (albumin), blood or pus in the urine, sexually transmitted disease or venereal disease? ☐ Yes ☒ No

(e) Cancer, tumor, polyp, or disorder of the skin or breast? ☐ Yes ☒ No

(f) Asthma, pneumonia, emphysema, or any other respiratory or lung disorder? ☐ Yes ☒ No

(g) Seizure, convulsion, fainting, loss of consciousness, tremor, paralysis, or other disorder of the nervous system? ☐ Yes ☒ No

(h) Anxiety, depression, stress or any psychological or emotional condition or disorder? ☐ Yes ☒ No

(i) Cold, hepatitis, ulcers, or other disorders of the stomach, liver or digestive system? ☐ Yes ☒ No

(j) Arthritis, gout, back or joint pain, bone fracture, or muscle disorder? ☐ Yes ☒ No

(k) Anemia, bleeding, or blood disorder? ☐ Yes ☒ No

(l) Acquired Immune Deficiency Syndrome (AIDS) or AIDS-Related Complex (ARC)? ☐ Yes ☒ No

(m) A positive blood test for antibodies to the AIDS (HIV) virus? ☐ Yes ☒ No

4. Have you:

(a) Regularly used amphetamines, marijuana, cocaine, hallucinogens, heroin or other drugs except as prescribed by a physician? ☐ Yes ☒ No

(b) Been treated or counseled for alcoholism or drug abuse? ☐ Yes ☒ No

(c) Been advised to reduce your consumption of alcohol? ☐ Yes ☒ No

5. Do you have any health symptoms for which a physician has not been consulted or treatment received? For example, persistent fever, unexplained weight loss, loss of appetite, pain or swelling? ☐ Yes ☒ No

6. Other than previously stated, have you within the past five years:

(a) Consulted a physician or any other practitioner, had a checkup, illness, surgery or been hospitalized? ☐ Yes ☒ No

(b) Had an electrocardiogram, stress or exercise test, x-ray, blood test or other diagnostic test? ☐ Yes ☒ No

(c) Been advised to have, or scheduled, any diagnostic test, hospitalization or surgery which was not completed? ☐ Yes ☒ No

7. Have any of your parents, brothers or sisters had diabetes, heart disease or high blood pressure? ☐ Yes ☒ No

8. Family History

	Age(s) if Living	Age(s) at Death	State of Health or Cause of Death
Father		60	Colon Cancer - Pulmonary Embolus
Mother	87	Chronic	Chronic Pulmonary Disease - Cerebral
Brother(s)	NONE		
Sister(s)			

I declare that I have made no statement to the medical examiner, agent, or any other person connected with the Company which in any way qualifies or modifies the above answers which I have read and confirm to be full and true to the best of my knowledge and belief.

Signed at HOUSTON TEXAS this 26th day of November 19 2003

Signature [Signature]
(Person proposed for insurance)

In presence of [Signature]
(Medical or paramedical examiner will please sign here)

SLPC 2396

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EXHIBIT 50

D59FUNIH Hearing
 1 UNITED STATES DISTRICT COURT
 1 SOUTHERN DISTRICT OF NEW YORK

2 -----x
 2 UNIVERSITAS EDUCATION, LLC,

3
 3 Plaintiff,

4
 4 v.

11 CV 1590 (LTS)

5
 5 NOVA GROUP, INC. et al,

6
 6 Defendants.

7 -----x

New York, N.Y.
 May 9, 2013
 9:30 a.m.

9
 9 Before:

10 HON. LAURA TAYLOR SWAIN,

District Judge

12 APPEARANCES

13 LOEB & LOEB LLP

13 Attorneys for Plaintiff

14 PAULA K. COLBATH, ESQ.

15 BRYAN I. REYHANI, ESQ.

15 Attorney for Plaintiff

16 ANTHONY J. SIANO, ESQ.

17 Attorney for Defendant D. Carpenter and Moonstone Partners

17 LLP

18 HALLORAN & SAGE LLP

19 Attorneys for Defendant M. Carpenter

19 DAN E. LABELLE, ESQ.

20 BRIEF CARMEN & KLEIMAN, LLP

21 Attorneys for Defendant Nova Group

21 IRA KLEIMAN, ESQ.

22 CAROLE R. BERNSTEIN, ESQ.

23 Attorney for Defendant Grist Mill Capital

24 ABRAMS, GORELICK, FRIEDMAN & JACOBSON, LLP

24 Attorneys for Defendant USAA

25 ALEXANDRA E. RIGNEY, ESQ.

SOUTHERN DISTRICT REPORTERS, P.C.
 (212) 805-0300

D59FUNIH

Carpenter - direct

- 1 A. Honestly, till today, I don't even remember ever seeing
2 this document.
3 Q. Okay, well, turn to the next page that has Bates number
4 1372 on the bottom. Do you recognize that document?
5 A. No. Just looks like a bank statement for Hanover Trust
6 Company.
7 Q. Right, and it again indicates that you're the trustee of
8 Hanover Trust Company, correct?
9 A. It says that in the upper left-hand corner.
10 Q. Looking at this document, does that refresh your
11 recollection that you told TD Bank that you were a trustee of
12 this entity?
13 A. Actually, no.
14 Q. What is your relationship with Grist Mill Trust?
15 A. I don't have a relationship with Grist Mill Trust.
16 Q. You don't control Grist Mill Trust?
17 A. No, not at all. I'm not a signatory, never been a trustee
18 of it and I'm not a signatory of Grist Mill Trust.
19 Q. Do you have any decision-making authority for the Grist
20 Mill Trust?
21 A. None whatsoever.
22 Q. Have you had decision-making authority for the Grist Mill
23 Trust at any point in time?
24 A. Never.
25 Q. Is the Grist Mill Trust an employee welfare benefit plan

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D59FUNIH Carpenter - direct

1 like the Charter Oak Trust?

2 A. It's a totally different welfare benefit plan. Grist Mill
3 Trust has other benefits and it's totally a different structure
4 than the Charter Oak Trust.

5 Q. It's a different structure, but it is an employee welfare
6 benefit plan, correct?

7 A. Correct.

8 Q. Do you have any personal knowledge with regard to the
9 business affairs of the Grist Mill Trust?

10 A. What do you mean by the business affairs?

11 Q. Well, do you consult with anyone on behalf of the Grist
12 Mill Trust?

13 A. Normally if they've got a tax question, if one of the
14 participating employers is being audited I'm usually consulted
15 by the people at the Grist Mill Trust to see if I could help
16 that person through their audit.

17 Q. Have you ever received any payments from the Grist Mill
18 Trust?

19 A. Never.

20 Q. Are you a signatory on any of the bank accounts for the
21 Grist Mill Trust?

22 A. No, ma'am.

23 Q. Have you or any of the entities that you control made loans
24 to the Grist Mill Trust?

25 A. Made loans to the Grist Mill Trust?

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D59FUNIH

Carpenter - direct

1 Q. Mm-hmm.

2 A. No. We've paid back loans but I don't believe we've made
3 any loans.4 Q. Have you or any company that you control received a loan
5 from the Grist Mill Trust?6 A. I believe several companies that I'm affiliated with have
7 received loans from the Grist Mill Trust.8 Q. Which companies that you're affiliated with have received
9 loans from the Grist Mill Trust?10 A. I know that Phoenix Capital Management definitely received
11 a loan and I believe that Avon Capital received loans from the
12 Grist Mill Trust.13 Q. When did Phoenix Capital Management receive a loan from the
14 Grist Mill Trust?15 A. I believe they received several loans going back to
16 2005-2006.

17 Q. Are those loans evidenced by written promissory notes?

18 A. I believe they are, yes.

19 Q. When was the last loan made by the Grist Mill Trust to
20 Phoenix Capital Management?

21 A. I don't recall.

22 Q. Who on behalf of the Grist Mill Trust authorized the loan
23 to Phoenix Capital Management?24 A. I believe Wayne Bursey and Nova Benefits Plans LLC is the
25 trustee, so Mr. Bursey would have to sign off on any loans that

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D59FUNDH

Carpenter - direct

1 were made.

2 Q. Did you have any discussion with Mr. Bursey concerning the
3 loan from Grist Mill Trust to Phoenix Capital Management?

4 A. I believe I talked to two other people in his office about
5 the loan.

6 Q. And who are those two people?

7 A. Cathy Keogh, I believe Cathy Keogh and Donna Dawson.

8 Q. Did you submit a loan application to the Grist Mill Trust?

9 A. No.

10 Q. How did it -- just tell me, how did it come to be that
11 Phoenix Capital Management got a loan from Grist Mill Trust
12 that's an employee welfare benefit plan?

13 MR. SIANO: Judge, I don't mean to intrude, but I
14 believe there was testimony that there was more than one loan.
15 I'm having a little trouble with the use of the word "the," but
16 that's my objection to the form of the question.

17 Q. The last loan that was made. Well, let me withdraw that.
18 What was the principal amount of the last loan that was made?

19 A. The last loan that I remember was for -- there's two loans.
20 There was one for two and a half -- there's three loans that I
21 remember. So there was one for about 2-1/2 million, there was
22 one for 900-something thousand and there was another one that
23 was done to Phoenix Capital Management for 2.7 million.

24 Q. And Mr. Bursey approved all three of these loans?

25 A. He would have to sign off. Money could not move without

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D59FUNIH

Carpenter - direct

1 Mr. Bursey's signature.

2 Q. What are the repayment terms for the \$2.5 million loan
3 between the Grist Mill Trust and Phoenix Capital Management?

4 A. On the 2.5 million, we paid back over 2.8 million, so I
5 believe it was about 6 percent interest.

6 Q. Was that loan repaid prior to May 2009?

7 A. I don't recall when that was paid.

8 Q. If you look at, under Exhibit 1, page 467?

9 A. Yes, ma'am, I have it.

10 Q. Is that your signature there on the middle of the page?

11 A. Yes, ma'am.

12 Q. And can you tell me what this document that we're looking
13 at is?

14 A. It appears to be another banking resolution form for
15 Phoenix Capital Management LLC.

16 Q. And was this document a document that you signed and
17 furnished to TD Bank in connection with opening up a bank
18 account at TD Bank for Phoenix Capital Management?

19 A. Yes, ma'am.

20 Q. And when did you open up that bank account on behalf of
21 Phoenix Capital Management at TD Bank?

22 A. I don't exactly recall. The dates seem to be May 20 and
23 May 21.

24 Q. Does that comport with your general recollection that you
25 opened up this account in the May 20, 2009 time frame?

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D59FUNIH

Carpenter - direct

1 A. Yes.

2 Q. And is that your signature that appears on the second page
3 of the document bearing number 468?

4 A. Yes, ma'am.

5 Q. And prior to opening up the bank account at TD Bank for
6 Phoenix Capital Management, did Phoenix Capital Management
7 maintain bank accounts at any other institutions?

8 A. Yes, ma'am.

9 Q. Where?

10 A. I know that there was a large account at Bank of America
11 and I think that there were accounts before at Fleet and
12 perhaps Simsbury Bank and Trust.13 Q. If you flip in your notebook to Exhibit 15, and tell me
14 what is document 15?15 A. These are accounts, a young man in our office, Eric
16 Schneider, kept all these bank accounts, these are Bank of
17 America bank accounts and usually every day or every other day
18 he would put together a listing of the various bank accounts
19 that we had at Bank of America and he would just routinely do
20 this.

21 Q. Did he do it under your direction?

22 A. I actually think he did it under Amanda Rossi's direction.

23 Q. And Ms. Rossi is your assistant, she works for you?

24 A. Yes, she does work for me.

25 Q. Exhibit 15 doesn't list any bank account at Bank of America

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D59FUNIH Carpenter - direct

1 for Phoenix Capital Management, does it?

2 A. I don't see it listed on this, I don't see it listed on
3 this sheet.

4 Q. Okay, and then down in the lower right the document says
5 "last modified 5/15/2009," correct?

6 A. That's what it says, yes.

7 Q. And flip to Exhibit 16 and it's a similar sheet, correct?

8 A. Yes.

9 Q. And Exhibit 16 bears the date last modified July 7, 2009,
10 right?

11 A. That's what it says, yes.

12 Q. And you'll agree with me that there's no Phoenix Capital
13 Management listed as an account at Bank of America?

14 A. Phoenix Capital is not on this list, but that doesn't mean
15 there wasn't a Bank of America account.

16 Q. Did you ever receive bank statements from Bank of America
17 for a Phoenix Capital Management account?

18 A. I don't recall.

19 Q. Do you still bank with Bank of America?

20 A. No. Not at all.

21 Q. Why not?

22 A. We had a falling out pretty much around that time frame.
23 One of our companies that had done \$20 million in transactions
24 with them, they restricted the wiring and the reason, we're
25 wiring large amounts all the time and they restricted our

SOUTHERN DISTRICT REPORTERS, P.C.

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D59FUNIH

Carpenter - direct

1 wiring ability and that was unacceptable to us.

2 Q. Was it a falling out or -- at your deposition you said you
3 were kicked out. Is that accurate?

4 A. Well, you know, it's kind of like a mutual divorce. There
5 was no question that we felt that somebody -- we were
6 definitely kicked out of TD Bank, but as far as Bank of America
7 goes, I think we went back and forth with some of the top
8 executives there that we didn't think we were being treated
9 fairly and I believed that somebody had sent a nasty letter to
10 the president of Bank of America and I think what they
11 insinuated is that you should get rid of all of the accounts at
12 Bank of America that Dan Carpenter is associated with. But
13 nobody ever confirmed that at Bank of America.

14 Q. Now, in your answer I think you may have misspoke at the
15 beginning and you said that you were kicked out of TD Bank. We
16 could have it read back if you want. Were you also kicked out
17 of TD Bank?

18 A. Yes, ma'am. In June.

19 THE COURT: I beg your pardon, what year?

20 THE WITNESS: I'm sorry, June of 2010, your Honor.

21 THE COURT: Thank you.

22 Q. Does the Grist Mill Trust operate out of 100 Grist Mill
23 Road in Simsbury, Connecticut?

24 A. I believe it does.

25 Q. And you created the Grist Mill Trust, is that correct?

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D59FUNIH

Carpenter - direct

1 A. No, that's not true.

2 Q. Why did Phoenix Capital -- I want to go back a couple of
3 questions on the Grist Mill Trust. I apologize. Why did
4 Phoenix Capital Management need a loan?

5 MR. SIANO: Objection as to form. Which loan?

6 THE COURT: Do you want to rephrase?

7 Q. Why did Phoenix Capital Management need any of the three
8 loans that you identified?

9 A. Phoenix Capital Management is the lending arm or financial
10 arm of Carpenter Financial Group and Phoenix Capital. I had
11 made substantial loans to Benistar Admin Services Inc. and
12 because of my personal problems legally several people had made
13 the suggestion that we should not have Carpenter Financial
14 Group appearing on the Benistar Admin Services financial
15 statements because Benistar Admin Services had to file
16 financial statements and even though I had nothing to do with
17 BASI our accountants and our attorneys felt it would be a
18 better idea to restructure the loan, create a new entity which
19 would be Phoenix Capital. So the first deal that Phoenix
20 Capital did was lending money to Benistar Admin Services which
21 was used to pay back Carpenter Financial Group so Carpenter
22 Financial group would no longer appear on BASI's audited
23 financial statements.

24 Q. Why didn't Grist Mill Trust just make the loan directly to
25 BASI?

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D59FUNIH

Carpenter - direct

1 A. Nobody ever talked to me about Grist Mill Trust. I was the
2 only one who approached Grist Mill Trust because in the old
3 days we might be able to get three or four percent interest
4 from JPMorgan, but all during the 2000's the interest rates
5 were all under 1 percent and literally dropped to ten basis
6 points. So it was my idea to come up with the idea with the
7 excess cash that the Grist Mill Trust had to lend it to groups
8 like Grist Mill Capital and to Phoenix Capital so we could
9 invest in insurance policies and pay back 6 or 8 percent to the
10 Grist Mill Trust. So it wasn't a question of need, it was a
11 question of opportunity.

12 Q. Well, sir, if you had nothing to do with the Grist Mill
13 Trust, how would you know that they had excess cash that could
14 be put to work?

15 A. Because I knew for a fact that hundreds of millions of
16 dollars were coming in to the Grist Mill Trust every year.

17 Q. Now, all of the entities that we talked about; Carpenter
18 Financial Group, Caroline Financial Group, Grist Mill Holdings,
19 Grist Mill Capital Delaware, Grist Mill Capital Connecticut,
20 Phoenix Capital Management, all of them operate out of 100
21 Grist Mill Road in Simsbury, Connecticut, correct?

22 A. Yes, ma'am.

23 Q. Now, you're aware that a judgment was entered in this
24 action against an entity known as Nova Group Inc., correct?

25 A. Yes, ma'am.

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D59FUNIH Carpenter - direct

1 Q. Do you have any relationship with Nova Group Inc.?

2 A. Which Nova Group Inc. are you referring to?

3 Q. Okay. I wasn't aware that there were more than one, but
4 how many Nova Group Inc.'s are there?

5 A. There's two. There's a Nova Group Inc. that was formed in
6 Delaware in August of 2002, and then there's a Nova Group Inc.
7 that was formed in Connecticut in January of 2007 and that's a
8 Connecticut corporation.

9 Q. Were you involved in forming both of those Nova Group
10 entities?

11 A. I wasn't involved in either one of them.

12 Q. Did you authorize the forming of either one of those
13 entities?

14 A. No, I did not.

15 Q. Have you at any point in time been an officer or director
16 of Nova Group Inc.?

17 A. When Paul Doucet who established Nova Group Inc. Delaware
18 left, he left in 2004, I took over the doing of tax returns and
19 the filing of various paperwork, but that Nova Group Inc
20 Delaware had nothing whatsoever to do with the Nova Group Inc
21 Connecticut that was formed to be the sponsor of the Charter
22 Oak Trust.

23 Q. So do I understand your testimony, you -- strike that.

24 Do you have any understanding as to how much is
25 currently due under the judgment against Nova Group Inc?

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EXHIBIT 51

Exhibit A

IN THE UNITED STATES DISTRICT COURT
DISTRICT OF CONNECTICUT

The Penn Mutual Life Insurance Company,

Plaintiff,

v.

Wayne H. Bursey, as trustee of the Charter
Oak Trust; the Charter Oak Trust; J.
Edward Waesche; and John Does 1-10,

Defendants.

Case No. 10-cv-01520-RNC

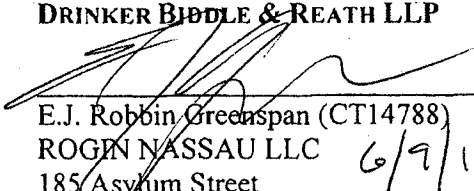
June 9,
May __, 2011

STIPULATION OF DISMISSAL WITH PREJUDICE

Pursuant to Federal Rule of Civil Procedure 41(a), Plaintiff, The Penn Mutual Life Insurance Company, and Defendants, Wayne H. Bursey, as President of Nova Group, Inc., trustee of the Charter Oak Trust, the Charter Oak Trust, and J. Edward Waesche (the parties that have appeared in this action), hereby stipulate to the dismissal with prejudice of the above-styled action. Penn Mutual further voluntarily dismisses its action against Defendants John Does 1-10 pursuant to Rule 41(a). Pursuant to this Stipulation, each party is to bear its own costs and attorney's fees.

* * *

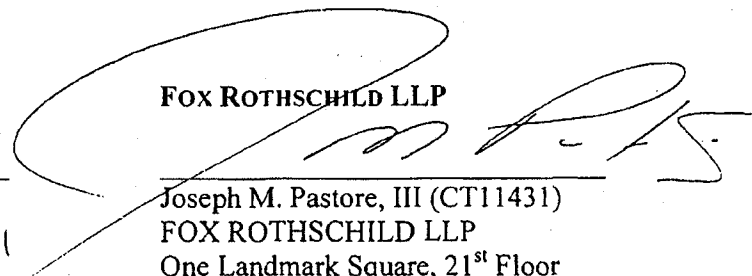
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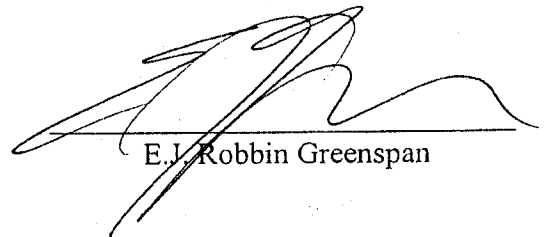
*Attorneys for Wayne H. Bursey, as
President of Nova Group, Inc., trustee of
the Charter Oak Trust, the Charter Oak
Trust, and J. Edward Waesche*

CERTIFICATION

This is to certify that a copy of the foregoing was filed electronically this 9th day of June, 2011 and served by mail on anyone unable to accept electronic filing. Notice of this filing will be sent by e-mail to all parties by operation of the Court's electronic filing system or by mail to anyone unable to accept electronic filing as indicated on the Notice of Electronic filing. Parties may access this filing through the Court's CM/ECF system.

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E.J. Robbin Greenspan

EXHIBIT 52

People's United Bank

Commercial Deposit

Date 6/13/11
 Name Grist Mill Capital, LLC

Please be sure that all items are properly endorsed

Checks and other items are received for deposit subject to the provisions of the Uniform Commercial Code or any applicable agreement. Deposit may not be available for immediate withdrawal.

Total Items •

1

Deposit to Account Number

6500023292

Amount of Deposit

Net Deposit \$

600,000.00

⑆5136⑉0600⑆

Cash	11	21	31	41	51	61	71	81	91	101	111	121	131	141	151	161	TOTAL
	600,000.00																600,000.00



Pocket:19 Pattern:3003 Account:6500023292 Serial:0 Amount:\$600,000.00 Sequence:2700591685 TR:51360600 BOFD TR:-
 TranCode:0 CUID:1615 Date:06/13/2011 PostAcct:6500023292

TR:85 175-17506 06/13/11 12:04 PM
 6500023292 CK Deposit \$600,000.00
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06/13/2011 2700591685
 6500023292-0000 P.B. OPT. CT

COT_PEOPLES0000092

A PennMutual Company

THE PENN MUTUAL LIFE INSURANCE COMPANY
INDEPENDENCE SQUARE, PHILADELPHIA, PA 19172

DATE
JUN 07, 2011

$$\frac{60.162}{433}$$

CHECK NUMBER
1038865

08E11 ATH 46DS H411000123

EXACTLY *Six hundred thousand and 00/100 Dollars*

PAY
TO;

GRIST MILL CAPITAL, LLC
100 GRIST MILL ROAD
SIMSBURY, CT 06070

VOID
6 MONTHS AFTER
DATE OF ISSUE

本所會費 \$600,000.00

PNC BANK, NA
JEANNETTE, PA

Patricia M. Chiarlano
ASSISTANT TREASURER

11 1038855 1043301627 1004690744

Pocket:5 Pattern:3003 Account:1004690744 Serial:1038855 Amount:\$600,000.00 Sequence:2700591690 TR:43301627 BOFD TR:-
TranCode:0 CUID:1615 Date:06/13/2011 PostAcct:0

98-1372411-27005-16510
98-1372411-27005-16510
DET

DO NOT WRITE / SIGN / STAMP BELOW THIS LINE

DEPOSITORY BANK ENDORSEMENT

X For Deposit ONLY

COT_PEOPLES0000093

EXHIBIT 53

BRIEF CARMEN & KLEIMAN, LLP

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October 4, 2013

The Honorable Laura Taylor Swain
United States District Judge
United States District Court
500 Pearl Street
New York, NY 10007

**Re: Universitas Education, LLC v. Nova Group, Inc.
(S.D.N.Y. 11-CV-1590-LTS-HBP)**

Dear Judge Swain:

We write as counsel for Nova Group, Inc. ("Nova"), in regard to that part of the Court's Order, dated September 30, 2013, (Docket Number 295) which ordered Nova to deposit the judgment amount of \$30,181,880.30 with the Clerk of the Court by October 4, 2013.

Mindful of the financial magnitude of the Order of the Court, we consulted with counsel for Grist Mill Capital, Avon Capital, Grist Mill Trust and for Daniel Carpenter, as well as Daniel Carpenter himself, in an effort to obtain compliance. However, we have been advised by Mr. Carpenter that neither the Charter Oak Trust, nor Charter Oak Trust 2009, nor Nova possess the funds or assets to comply with the Court's Order. We have been further advised by Mr. Carpenter that recoupment of monies from the entities to which the proceeds of the Sash Spencer Insurance policies were transferred in 2009 (well before the entry of judgment in this matter), cannot be had, because: a) those entities themselves no longer have the funds transferred in 2009; or b) the monies transferred were paid in satisfaction of pre-existing debts, and Mr. Carpenter is not in control of at least one of those entities.

Specifically, the Court's Order to Nova to deposit the judgment amount is directed to an entity that, since at least 2010, has been dormant. A successor entity of the same name incorporated in Connecticut, has also been dormant since 2010. Mr. Carpenter advises that there are presently no active bank accounts in the name of either of the Nova Group entities.

The Court's order refers generally to "transferee entities". As has been disclosed in both documents and in the testimony of the agent for Grist Mill Capital, LLC, ("GMC") GMC received cash and assets from Nova and the Charter Oak Trust as valid debt repayments. In turn, GMC used the cash and assets it received to satisfy its valid liabilities and obligations to actual

BRIEF CARMEN & KLEIMAN, LLP
ATTORNEYS AT LAW

October 4, 2013
Page 2

creditors. Such cash and assets are no longer under the control of the judgment debtor or of the transferee entities. None of the transferee entities is a judgment debtor.

The proceeds of the Sash Spencer insurance policies were transferred from Nova to Grist Mill Capital, LLC, in May and in October, 2009. That money is no longer in the Grist Mill Capital LLC Account. As of September 30, 2013, the amount of money in the Grist Mill Capital Bank Account was \$10.00 (copy of bank statement dated September 30, 2013 is annexed hereto as Exhibit A).

From the Grist Mill Capital account, the monies were transferred (in 2009) at various times to a number of entities including Grist Mill Holdings, Avon Capital, Carpenter Financial Group, Phoenix Capital, and the Grist Mill Trust.

Except for the Grist Mill Trust (which will be discussed separately), none of the foregoing entities possess any meaningful sums in their bank accounts. The short time provided by the Court for compliance with the Order and the page limits imposed by the Court's Rules preclude us from attaching copies of bank statements to reflect these facts at this time, Mr. Carpenter is prepared to provide the Court and counsel for Universitas with disclosure of financial information necessary to demonstrate that none of these entities possesses the monies or assets to comply with the Court's order.¹

In regard to the insurance policies previously owned by Nova, as previously described to the Court, all insurance policies which were at one time owned by the original Charter Oak Trust or Charter Oak Trust 2009, (no policies were owned by Nova Group, Inc.) were assigned pursuant to Collateral Assignment Agreements to Grist Mill Capital, LLC and/or Ridgewood Financial II, LLC. Any policies which were covered by such an agreement with Ridgewood were resolved when Ridgewood accepted the transfer of ownership of certain of the policies to Ridgewood, in satisfaction of the debt Charter Oak, Nova Group, Inc. or Grist Mill Capital, LLC owed to them. All other policies had been or were assigned to Grist Mill Capital, LLC, which was owed in excess of \$60,000,000.00 as a result of policy financing arrangements extant at the time the Sash Spencer proceeds were paid in 2009.

At the present time, the remaining policies still owned by the Charter Oak Trust are the subject of litigation and cannot be transferred. To Mr. Carpenter's knowledge, all other policies have either been terminated or lapsed. In one instance, our client understands that a policy was transferred after the acquiring entity actually made a payment to Universitas.

¹ No current counsel ever has been paid by Nova or the Charter Oak Trust, and no counsel has been paid by any of what at this time we understand to be transferee entities since the end of 2012.

BRIEF CARMEN & KLEIMAN, LLP
ATTORNEYS AT LAW

October 4, 2013
Page 3

One of the transferee entities is the Grist Mill Trust. Grist Mill Trust is a multiple employer trust providing death benefits for covered employees of employers who adopt into the plan. It currently serves 343 employers and 632 participants. Funds are paid to the Trust by employers and the Trust in turn pays various life insurance companies premiums due for the various policies insuring the lives of the covered employees. When a participant dies, the life insurance company pays the death benefit to the Trust, which in turn secures the appropriate documentation and pays the benefit to the beneficiary(ies). In this regard, from time to time, there may be significant dollars in the Trust's bank accounts, but such funds are (a) held in trust for the beneficiary(ies); (b) premiums to be paid to maintain the life insurance policies; and (c) cash due to forfeitures and buyouts as well as fees and costs payable to the administrator and sponsor for their work. As to the latter, as of this date, the Trust has less than \$50,000 belonging to it.

On September 18, 2013, and again on September 24, 2013, the Trust provided documentation of the foregoing financial details to counsel for Universitas in response to their request for same. Beyond this, as to counsel's inquiry as to the reasons for payments made to the Trust in 2009, the Trust provided counsel for Universitas with documents which show the propriety of various documented loans having been repaid: We are advised by Mr. Carpenter and counsel for the Grist Mill Trust, that Mr. Carpenter is not a principal of the Grist Mill Trust, was never its trustee, and has no control over its cash assets.

Thus, Nova and the Charter Oak Trust find that they are not capable of complying with the order of the Court at this time. Thus, we ask that the Court allow us additional time to provide the Court and counsel for Universitas with such documentation and/or testimony, as well as to continue to attempt to locate whatever assets, if any, that may be placed with the Court pursuant to its' Order. Counsel for Universitas, with whom I have consulted by e-mail by telephone, has declined to consent to this request.

Thank you for your attention to this matter.

Respectfully submitted,



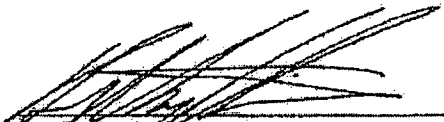
Ira Kleiman


cc: All counsel (via e-mail)

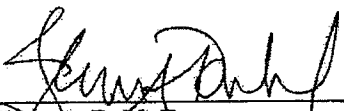
BRIEF CARMEN & KLEIMAN, LLP
ATTORNEYS AT LAW

October 4, 2013
Page 4

Reviewed and
Agreed Upon:



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Attorney for Grist Mill Capital LLC
and Avon Capital LLC

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